A BILL PUBLICATION * FAST FOOD

Restaurant Business

SEPTEMBER 15, 1979

Sales by metro areas and ADI's Page 160

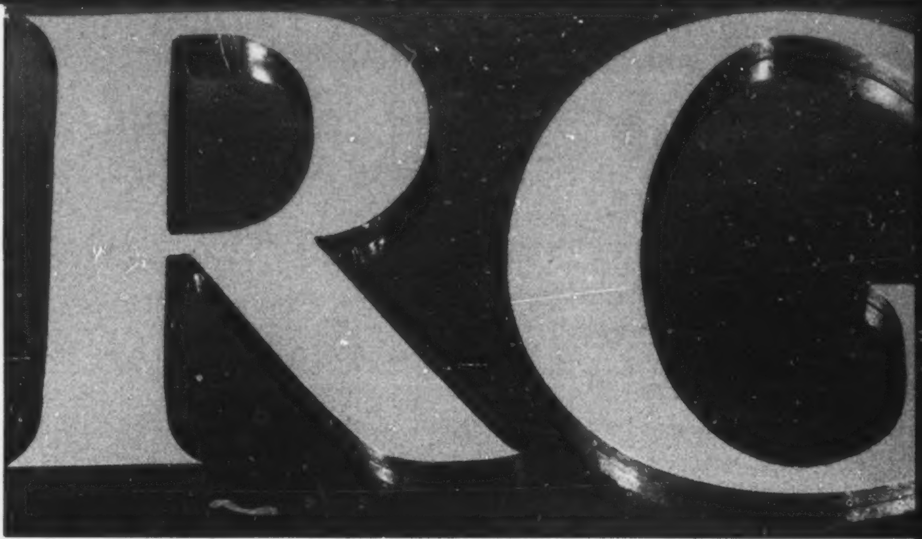
Market segment trends Page 132

Beefing up your menu Page 205

Restaurant Business

Contents

SEPTEMBER 15, 1979 VOL. 78, NO. 12



Special Features

12th Annual Restaurant Growth Index—How are you coping? Our annual examination of industry sales and trends, and five year sales and growth projections in eight market segments help you gauge the performance of your market segment and your location 129

RGI Metro Areas—1978 sales for eating and drinking places, restaurants and fast food establishments in 300 metro areas 159

Areas of Dominant Influence—1978 sales for eating and drinking places, restaurants and fast food establishments in 213 ADI's..... 190

Top 100 Metro and ADI restaurant markets 124

Top 100 Metro and ADI fast food markets 126

Beefing up your menu—Food editor Cecile Woicik shows ways to still serve America's favorite meat item—beef—despite its high cost 205

"Hell's Kitchen" made paradise—A revival of New York's no-man's land provides fertile soil for area restaurants 84

The tea room transformed—Department store foodservice is changing as fast as fashion: here's what two famous stores are showing this year 107

The 1979 Most Valuable Promotion Awards—Restaurant chains are honored for creative and profitable merchandising campaigns . 118

Regular Features

Sanitation tips—Prevent foodborne illness 2

Publisher's Memo—Moving toward the middle.................... 12

Editorial—Life after the gas crisis 16

Foodservice Calendar—Upcoming events of interest 18

Up Front 21

Menu Planner's Guide 52

Worth Writing For—Publications to help you on the job 68

Levitt on Labor—"Recent labor developments" 74

Reprints of the 12th Annual Restaurant Growth Index are available for $2 per copy. Contact the editors of Restaurant Business at 633 Third Avenue, New York, N.Y., 10017.

Book Review 77

The Tax Bite—"Taxing the free meal" by Irving L. Blackman ... 78

Drafts, Carafes & Spirits—"Brandy builds business" 97

Bar Management Guide—The newest in spirits, mixers and bar equipment.................. 102

Buyer's Circle—The latest in foodservice equipment............ 198

The Family-Owned Business—"The best inflation hedge" by Leon A. Danco 213

Raising Your Equipment I.Q.—"Fire! the four letter word" by Gil Cummings 214

Operations Management—"Examining the freebie" by Leon Gottlieb.................... 236

International Calendar—"The international trade show scene" by Richard E. Kann 242

Marketing—"Identify the profit makers" by Arnold Deutsch ... 246

← Circle No. 10

Top 100 Restaurant Markets

By metro area

Los Angeles - Long Beach	1,771,715	1
New York	1,584,126	2
Chicago	1,424,586	3
San Francisco - Oakland	797,683	4
Boston - Lowell - Brockton - Lawrence - Haverhill	739,899	5
Detroit	653,626	6
Washington	633,011	7
Philadelphia	621,895	8
Anaheim - Santa Ana - Garden Grove	587,831	9
Houston	528,846	10
Dallas - Fort Worth	455,935	11
Miami	420,162	12
Nassau - Suffolk	399,016	13
San Diego	385,151	14
Atlanta	378,116	15
Seattle - Everett	377,637	16
Minneapolis - St. Paul	358,300	17
Fort Lauderdale - Hollywood	328,324	18
Tampa - St. Petersburg	304,881	19
Cleveland	304,671	20
St. Louis	291,844	21
Baltimore	268,435	22
Newark, N.J.	266,132	23
Denver - Boulder	265,278	24
Riverside - San Bernardino - Ontario	260,036	25
Pittsburgh	243,293	26
San Jose	226,553	27
Kansas City	223,447	28
Milwaukee	218,526	29
Honolulu	216,237	30
Phoenix	194,870	31
Portland, Ore.	193,899	32
Columbus, Ohio	192,555	33
New Orleans	191,484	34
Cincinnati	188,970	35
Indianapolis	171,787	36
Buffalo	170,074	37
San Antonio	161,263	38
Hartford - New Britain - Bristol	158,773	39
Orlando	157,737	40
Bridgeport - Stamford - Norwalk - Denbury	145,496	41
Sacramento	138,479	42
Jacksonville	132,906	43
Toledo	129,460	44
Nashville-Davidson	129,413	45
Providence - Warwick - Pawtucket	127,078	46
Oklahoma City	125,196	47
New Haven - West Haven - Waterbury - Meriden	121,556	48
Rochester, N.Y.	114,901	49
Albany - Schenectady - Troy	110,329	50
West Palm Seach - Boca Raton	110,230	51
Louisville	110,177	52
Memphis	109,233	53
Salt Lake City - Ogden	106,938	54
Birmingham	105,419	55
Akron	102,821	56
Gary - Hammond - East Chicago	100,193	57
Omaha	100,081	58
Tacoma	98,871	59
Worcester - Fitchburg - Leominster	98,360	60
Long Branch - Asbury Park	97,810	61
Dayton	97,661	62
Austin	95,043	63
Daytona Beach	91,653	64
Santa Barbara - Santa Maria - Lompoc	89,505	65
Norfolk - Virginia Beach - Portsmouth	88,394	66
Richmond	87,095	67
Bakersfield	87,004	68
Fresno	84,521	69
New Brunswick - Perth Amboy - Sayreville	84,420	70
Grand Rapids	84,001	71
Tulsa	83,038	72
Greensboro - Winston-Salem - High Point	82,573	73
Charlotte - Gastonia	81,357	74
Salinas - Seaside - Monterey	80,168	75
Allentown - Bethlehem - Easton	79,431	76
Northeast Pennsylvania	79,130	77
Lansing - East Lansing	78,888	78
Wichita	78,797	79
Oxnard - Simi Valley - Ventura	77,326	80
Jersey City	75,529	81
Syracuse	75,305	82
Newport News - Hampton	75,214	83
Greenville - Spartanburg	75,116	84
Wilmington, Del.	71,914	85
El Paso	71,808	86
Canton	71,066	87
Springfield - Chicopee - Holyoke	71,030	88
Youngstown - Warren	70,555	89
Devenport - Rock Island - Moline	68,967	90
Fort Wayne	67,399	91
Knoxville	64,198	92
Flint	64,082	93
Stockton	62,284	94
New Bedford - Fall River	62,235	95
Corpus Christi	61,731	96
Vallejo - Fairfield - Napa	60,604	97
Raleigh - Durham	60,307	98
Tucson	60,242	99
Las Vegas	59,338	100

By ADI

New York	2,907,468	1
Los Angeles	2,563,400	2
Chicago	1,629,505	3
San Francisco	1,098,296	4
Boston	996,643	5
Philadelphia	975,526	6
Miami	778,064	7
Washington, D.C.	749,769	8
Detroit	725,757	9
Cleveland	603,314	10
Houston	594,743	11
Seattle - Tacoma	581,456	12
Dallas - Ft. Worth	522,576	13
Minneapolis - St. Paul	464,458	14
Atlanta	460,173	15
Tampa - St. Petersburg	442,463	16
San Diego	385,151	17
Denver	383,599	18
Sacramento - Stockton	347,412	19
St. Louis	342,406	20
Orlando - Daytona Beach	340,922	21
Pittsburgh	339,751	22
Hartford - New Haven	331,394	23
Portland, Ore.	304,871	24
Baltimore	299,437	25
Milwaukee	299,070	26
Indianapolis	293,480	27
Kansas City	271,888	28
Columbus, Ohio	241,998	29
New Orleans	237,490	30
Cincinnati	233,561	31
Phoenix	229,709	32
Buffalo	225,228	33
Grand Rapids - Kalamazoo - Battle Creek	214,858	34
Providence	212,538	35
Nashville	207,072	36
Oklahoma City	195,407	37
San Antonio	194,105	38
Albany - Schenectady - Troy	183,212	39
Norfolk - Portsmouth - Newport News - Hampton	182,826	40
Charlotte	180,129	41
Toledo	179,001	42
Jacksonville	174,725	43
Salt Lake City	173,055	44
Flint - Saginaw - Bay City	172,377	45
Harrisburg - York - Lancaster - Lebanon	170,613	46
Greenville - Spartanburg - Asheville	168,283	47
Wichita - Hutchinson	167,348	48
Dayton	157,704	49
Louisville	156,836	50
Fresno	156,058	51
West Palm Beach	155,780	52
Memphis	153,137	53
Green Bay	150,653	54
Omaha	145,773	55
Raleigh - Durham	143,732	56
Portland - Poland Spring	141,286	57
Spokane	138,565	58
Palm Springs	138,342	59
Springfield - Decatur - Champaign	137,786	60
Mobile - Pensacola	136,480	61
Davenport - Rock Island - Moline	134,170	62
Birmingham	132,726	63
Des Moines	129,648	64
Salinas - Monterey	128,437	65
South Bend - Elkhart	125,821	66
Richmond	123,621	67
Santa Barbara - Santa Maria - San Luis Obispo	123,032	68
Knoxville	122,730	69
Wilkes-Barre - Scranton	121,196	70
Tulsa	120,234	71
Shreveport - Texarkana	115,035	72
Rochester, N.Y.	112,371	73
Greensboro - Winston-Salem - High Point	110,802	74
Syracuse	110,760	75
Roanoke - Lynchburg	110,699	76
Charleston - Huntington	110,622	77
Little Rock	109,263	78
Albuquerque	106,476	79
Austin, Tex.	104,356	80
Lansing	103,049	81
Cedar Rapids - Waterloo	98,303	82
Peoria	98,027	83
Rockford	97,707	84
Youngstown	96,114	85
Madison	92,645	86
Paducah - Cape Girardeau - Harrisburg	92,423	87
Lincoln - Hastings - Kearney	91,774	88
Chattanooga	89,033	89
Ft. Wayne	88,636	90
Bakersfield	87,004	91
El Paso	85,332	92
Corpus Christi	84,060	93
Lexington	83,857	94
Springfield, Mass.	82,527	95
Johnstown - Altoona	81,500	96
Springfield, Mo.	80,763	97
Evansville	78,459	98
La Crosse - Eau Claire	77,251	99
Colorado Springs - Pueblo	75,628	100

more data on page 126

Top 100 Fast Foods Markets

By metro area

Los Angeles - Long Beach	850,026	1
Chicago	712,222	2
New York	496,150	3
Detroit	448,326	4
Washington	393,418	5
Dallas - Fort Worth	391,255	6
Houston	391,183	7
Boston - Lowell - Brockton - Lawrence - Haverhill	334,017	8
San Francisco - Oakland	331,041	9
Atlanta	321,945	10
Philadelphia	310,569	11
Anaheim - Santa Ana - Garden Grove	253,095	12
Baltimore	208,608	13
Miami	205,061	14
Tampa - St. Petersburg	194,071	15
Cincinnati	190,377	16
San Diego	188,202	17
Minneapolis - St. Paul	178,335	18
St. Louis	172,813	19
Nassau - Suffolk	171,818	20
Cleveland	169,834	21
Kansas City	157,774	22
Seattle - Everett	153,205	23
Pittsburgh	151,538	24
Milwaukee	150,486	25
Fort Lauderdale - Hollywood	143,619	26
San Antonio	137,470	27
San Jose	132,328	28
Salt Lake City - Ogden	130,047	29
Columbus, Ohio	129,445	30
Riverside - San Bernardino - Ontario	128,572	31
Dayton	123,572	32
Denver - Boulder	122,866	33
Orlando	119,022	34
Newark, N.J.	118,411	35
Birmingham	117,056	36
New Orleans	115,030	37
Indianapolis	113,604	38
Portland, Ore.	103,681	39
Oklahoma City	101,014	40
Phoenix	100,192	41
Louisville	99,610	42
Honolulu	96,914	43
Buffalo	91,337	44
Sacramento	89,923	45
Jacksonville	86,274	46
Memphis	86,204	47
Toledo	85,615	48
Tulsa	85,467	49
Nashville-Davidson	84,942	50
Hartford - New Britain - Bristol	84,420	51
Greensboro - Winston-Salem - High Point	81,459	52
Norfolk - Virginia Beach - Portsmouth	76,991	53
Austin	75,996	54
Gary - Hammond - East Chicago	75,918	55
Greenville - Spartanburg	71,833	56
Providence - Warwick - Pawtucket	69,800	57
Richmond	69,525	58
Wilmington, Del.	67,395	59
Knoxville	67,022	60
New Haven - West Haven - Waterbury - Meriden	65,861	61
Charlotte - Gastonia	64,816	62
Wichita	62,007	63
Rochester, N.Y.	61,931	64
Bridgeport - Stamford - Norwalk - Danbury	60,903	65
Akron	60,299	66
Worcester - Fitchburg - Leominster	58,332	67
Springfield - Chicopee - Holyoke	58,224	68
El Paso	56,959	69
Fresno	56,927	70
Omaha	53,841	71
Grand Rapids	53,312	72
Albany - Schenectady - Troy	53,293	73
Canton	52,991	74
Oxnard - Simi Valley - Ventura	51,956	75
West Palm Beach - Boca Raton	51,294	76
Tacoma	51,219	77
Youngstown - Warren	50,984	78
Mobile	50,622	79
Flint	49,006	80
Las Vegas	48,913	81
Allentown - Bethlehem - Easton	47,253	82
Fort Wayne	47,553	83
Beaumont - Port Arthur - Orange	45,601	84
Columbia, S.C.	44,784	85
Lexington-Fayette	44,511	86
Corpus Christi	44,139	87
Daytona Beach	43,476	88
Bakersfield	43,335	89
Lansing - East Lansing	43,313	90
Newport News - Hampton	43,111	91
Northeast Pennsylvania	42,835	92
Syracuse	42,487	93
New Bedford - Fall River	42,095	94
New Brunswick - Perth Amboy - Sayreville	41,265	95
Chattanooga	40,966	96
Long Branch - Asbury Park	40,636	97
Little Rock - North Little Rock	40,587	98
Pensacola	40,452	99
Tucson	40,399	100

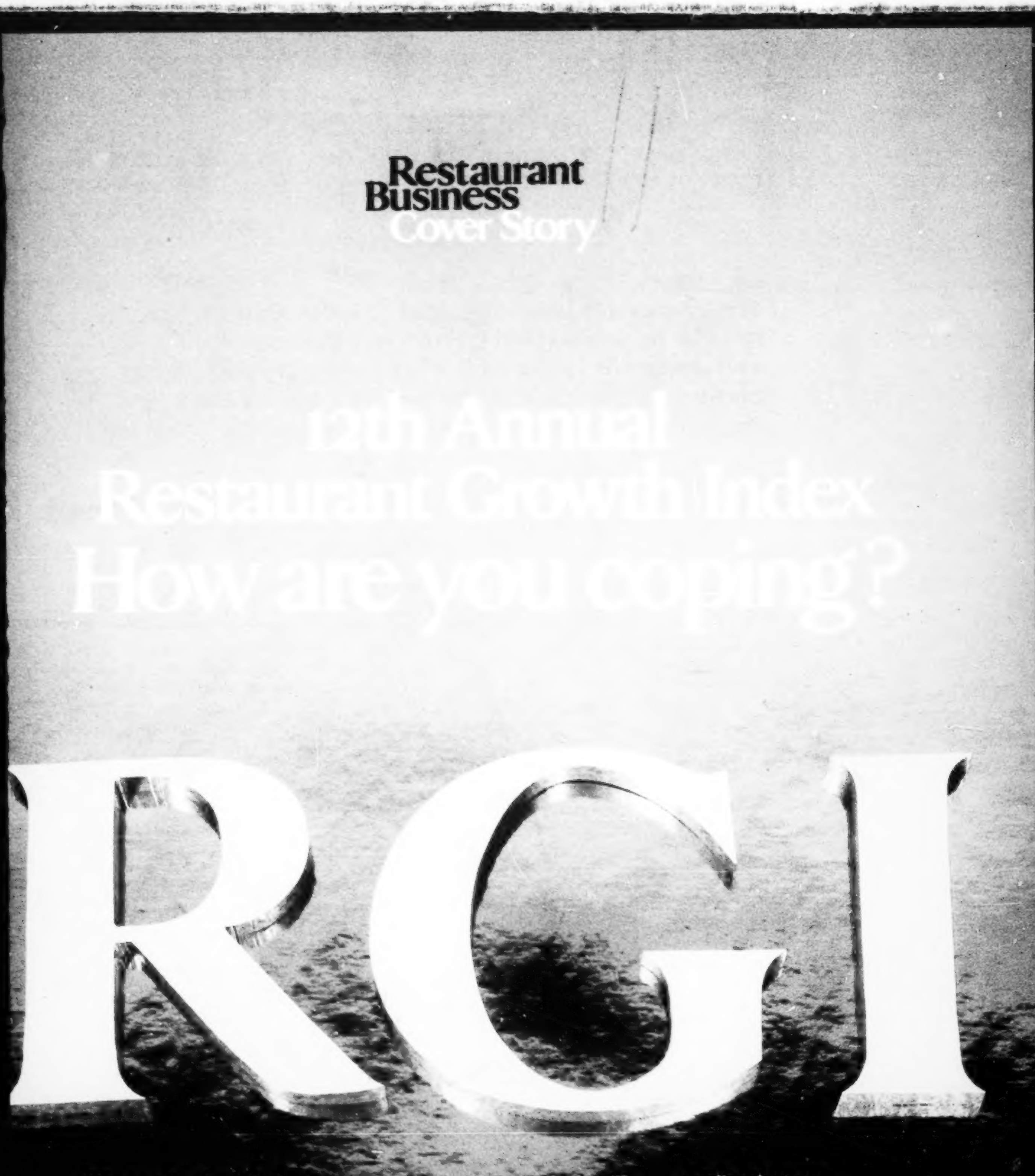
By ADI

Los Angeles	1,226,788	1
New York	1,052,629	2
Chicago	858,255	3
Philadelphia	514,152	4
Detroit	496,974	5
San Francisco	493,529	6
Boston	489,264	7
Washington, D.C.	463,181	8
Dallas - Ft. Worth	440,035	9
Houston	430,521	10
Atlanta	401,796	11
Cleveland	368,707	12
Miami	363,901	13
Tampa - St. Petersburg	260,449	14
Seattle - Tacoma	246,738	15
Cincinnati	239,296	16
Minneapolis - St. Paul	230,605	17
Baltimore	227,173	18
Orlando - Daytona Beach	215,160	19
Indianapolis	213,883	20
Pittsburgh	209,181	21
St. Louis	203,845	22
Sacramento - Stockton	200,783	23
Milwaukee	188,778	24
San Diego	188,202	25
Kansas City	186,697	26
Hartford - New Haven	179,887	27
New Orleans	176,388	28
Denver	170,363	29
Dayton	169,493	30
Salt Lake City	165,956	31
Columbus, Ohio	160,814	32
San Antonio	158,451	33
Portland, Ore.	155,257	34
Oklahoma City	151,379	35
Charlotte	149,375	36
Greenville - Spartanburg - Asheville	146,663	37
Birmingham	145,401	38
Nashville	141,061	39
Norfolk - Portsmouth - Newport News - Hampton	136,060	40
Louisville	133,918	41
Grand Rapids - Kalamazoo - Battle Creek	128,848	42
Providence	122,400	43
Memphis	119,317	44
Raleigh - Durham	118,996	45
Mobile - Pensacola	118,205	46
Jacksonville	117,905	47
Buffalo	117,009	48
Wichita - Hutchinson	115,765	49
Toledo	114,669	50
Tulsa	111,242	51
Phoenix	110,654	52
Knoxville	109,326	53
Greensboro - Winston-Salem - High Point	107,879	54
Flint - Saginaw - Bay City	103,467	55
Harrisburg - York - Lancaster - Lebanon	98,212	56
Charleston - Huntington	95,061	57
Springfield - Decatur - Champaign	92,923	58
Albany - Schenectady - Troy	89,917	59
Little Rock	89,619	60
Richmond	89,431	61
Fresno	88,058	62
Austin, Tex.	81,951	63
Roanoke - Lynchburg	81,604	64
Des Moines	78,766	65
Green Bay	77,066	66
Shreveport - Texarkana	76,718	67
Davenport - Rock Island - Moline	76,705	68
South Bend - Elkhart	75,825	69
West Palm Beach	74,730	70
Omaha	74,092	71
Wilkes-Barre - Scranton	72,972	72
Jackson, Miss.	71,238	73
Spokane	70,778	74
Chattanooga	70,477	75
Lexington	68,650	76
Portland - Poland Spring	67,547	77
Youngstown	65,996	78
Albuquerque	65,525	79
El Paso	64,588	80
Ceder Rapids - Waterloo	64,259	81
Columbia, S.C.	63,498	82
Ft. Wayne	62,991	83
Springfield, Mass.	62,567	84
Rochester, N.Y.	60,666	85
Paducah - Cape Girardeau - Harrisburg	59,652	86
Huntsville - Decatur - Florence	59,259	87
Lansing	58,737	88
Syracuse	58,508	89
Corpus Christi	58,417	90
Palm Springs	56,966	91
Peoria	55,827	92
Baton Rouge	55,416	93
Springfield, Mo.	54,951	94
Evansville	53,449	95
Tallahassee	53,035	96
Bristol - Kingsport - Johnson City	52,951	97
Rockford	50,582	98
Wilmington	50,078	99
Salinas - Monterey	49,679	100

Restaurant Business
Cover Story

12th Annual Restaurant Growth Index

How are you coping?



This annual probe of the foodservice industry—now in its 12th year—has always been designed to present more than just the sales figures of industry segments and metro and ADI areas. It is intended that it go beyond the figures, into the changing facets of the industry.

Not too long ago, an executive,

ning, announced at lunch that "I won't be able to cope today." Businessmen must have had that feeling often during the past 12 months not because of the night before, but because of the unrelenting pressures of the day.

This has been a year of:

- inflation
- gasoline shortages
- recession fears
- fluctuating food prices
- increasing competition

If you have managed to cope you are to be congratulated. If you have significantly increased your sales and earnings you should stand up and take a bow. Add to the above

The restaurateur is being challenged to demonstrate the "value" of his product. But it is this very challenge that is his strong suit: eating out is still a positive sell. In a year when "coping" is about the best the consumer can do, eating out can make it seem a little less painful.

an uncertain (and expensive) labor supply and constantly increasing building costs, and you begin to realize the problems managers face when trying to increase sales and maintain growth.

The biggest problem is still inflation—as it eats into the disposable income of consumers, and the profits of business. We have seen drops in customer counts as families "cut back" on eating out. We have also seen the industry counter this trend with more aggressive advertising and promotion campaigns. While no one is promising change from a dollar anymore, value, convenience, and entertainment are being stressed to convince the consumer that eating out is still a better deal than eating at home.

Soaring cost of energy

A significant part of inflation is the increasing cost of energy, which cuts directly into bottom line profits. A significant problem for the industry has been the restrictions on room temperatures for restaurants. The last thing a restaurateur wants is for his customer to be too warm in summer or too cold in winter. And while it looked as though that was going to be mandated, actually the regulations were for room temperature of 78° in dining rooms *and* kitchens, not a thermostat setting for 78°. The latter could easily allow temperatures of over 100° in kitchens and 80° plus in dining rooms. If you are unsure of the exact requirements of this regulation, it is wise to check with your local restaurant association or with the Washington, D.C. office of the National Restaurant Association.

But even with tolerable room temperatures, the energy problem still looms large. By and large the industry has not utilized all the conservation techniques available to restaurants and even with minimal investment for energy audits and conservation equipment, the average restaurant will see commensurate savings in energy costs.

If there was one thing this industry did not need this year it was another problem. But one came along and it was a whopper. California suddenly ran out of gasoline, and as customers waited on lines for three and four hours foodservice sales dropped 30 to 40 percent in some areas. Within a month, similar lines were seen in Pennsylvania, New York, and New Jersey. The automobile became a liability, rather than an asset. For fast food chains the problem was not too severe because these units are usually located on major routes and often a trip to one is linked with other activities. But dinner houses, and, of course, highway restaurants suffered. In the early part of the summer, resort areas were severely affected. Ads in metropolitan newspapers stressed gas availability to assure customers they would not be stranded on Cape Cod or the New Jersey shore. By mid-summer, the panic was over but the uncertainty lingered.

Food prices followed an irregular pattern. The beef chains began to feel the pressures the seafood restaurants had suffered a few years earlier. Menu changes were evident as roast beef houses found alternate beef items to spread the food cost. Inplant cafeterias found that prime ribs—once a menu regular—became a weekly feature as menus were adjusted to offset rising beef prices. Fast food chains intensified menu diversification, emphasizing platters and large sandwiches to increase unit sales. And of course breakfast sales continued to be emphasized.

Supermarkets fight back

This has also been a year of increased competition. The supermarket industry is trying hard to win back a larger share of the food dollar and restaurants are countering by stressing the fun of an evening out or the convenience of picking up a meal—ready to serve—at the local restaurant and avoiding long and tiring supermarket checkout lines.

As management in the foodservice industry coped with all these problems, the consumer also had some coping to do. Rising housing costs, gasoline shortages, and fears of recession forced the consumer to spend wisely. Value for the dollar is more important now than ever before.

But it is this very attitude that in the long run could be the foodservice industry's greatest plus. The fun and convenience of eating out is still a positive sell. Customers want to eat out. Every day they have to cope with taxes, rent, their kids and their jobs. Eating out makes coping a lot easier to take.

Summary

	1977 Sales (000,000)	1977 Purchases (000,000)	1977 vs 1976 Growth	1978 Sales (000,000)	1978 Purchases (000,000)	1978 vs 1977 Growth	1983 Sales (000,000)	Compound Annual Growth
Total Market:	$87,949	$39,979	10.1%	$96,813	$44,130	10.1%	$151,051	9.3%
Commercial/Contract	74,206	30,024	10.6	82,001	33,265	10.4	130,544	9.8
Institutional/Internal	13,121	8,898	7.6	14,226	9,865	8.4	19,704	6.7
Military	671	1,067	-0.4	686	1,100	2.3	803	3.5
Major Market Segments								
Separate Eating and Drinking Places	57,934	21,407	10.6	64,046	23,636	10.4	102,086	9.9
Hotel Motel Market	4,817	1,660	6.6	5,274	1,817	9.5	7,853	8.3
The Transportation Market	1,310	584	12.8	1,512	666	15.4	2,880	13.8
The Leisure Market	1,794	695	13.9	2,036	789	13.6	3,504	11.4
The Retail Market	2,886	1,106	7.6	3,101	1,187	7.4	4,666	8.5
The Business Industrial Market	5,294	5,462	11.3	5,902	6,070	11.5	9,046	8.9
The Student Market	4,807	3,962	8.3	5,151	4,266	7.2	7,010	6.4
The Health Care Market	7,415	3,686	8.1	8,034	4,036	8.3	11,361	7.2

In this year's edition of the Restaurant Business Restaurant Growth Index, we present information from the years 1977, 1978 and 1983. For this, we provide "hard data" for 1977, best estimates for 1978 (the last full year), and a five year planning projection.

Foodservice sales in 1978 increased 10.08 percent to a total of $96,812,641,000. This is a conservative figure, as it does not include a commercial equivalent dollar volume for military feeding or school foodservice (we count only cash paid by students); and it does not include much of vended soft drinks or vended candy. If we adjust our figures to reflect the inclusion of these groups, we would show industry sales of $108,455,814,000; 12.03% higher. In our view, these adjustments are not valid because they produce a result which is in turn inflated (military and school feeding), not comparable (candy sales are not included in meals and snacks or alcoholic beverages), or in the situation of vended soft drinks, through a restricted distribution network.

We project sales of $151,050,885,000 in 1983. This is a gain of $54,268,244,000 for a five year period. This translates into a compound annual growth rate of 9.30 percent or a total growth of 56.05 percent. The commercial/contract group will grow faster than the industry as a whole at 9.75 percent compound annual growth or total growth of 59.20 percent. The institutional/internal and the military groups will grow at a slower rate primarily due to declining rates of growth of their populations or outright declines.

We use compound annual growth rates to express change in our projections because they are mathematically correct. To illustrate, if we multiply the 1978 industry total by 1.093 and then multiplied the result by 1.093 and did this for five years, we would get the projected figure of $151,050,885,000. If this concept is applied using 11.21 percent, an average annual figure, the result would be $164.7 billion in 1983.

Although personal income is now projected to grow at a compound annual rate of 11.30 percent from 1978 to 1983 which is slightly above the 11.22% rate of 1976-1978, we project a modest decline in the rate of growth of the commercial/contract sector of the foodservice industry. The principal reasons are an increase in fixed charges against income such as housing costs, mortgage rates, gas price, home heating, insurance, debt service; and the level of inflation in menu prices which is pushing average checks through price points.

The price point issue is critical to the fast food establishments right now as many of them have passed through the $2 check average and are meeting resistance beyond that associated with past strong rises in menu prices. Crossing a price point requires a change in perception of what the worth of a meal is in a specific restaurant.

Operators of fast food establishments have tried to counter this problem by shifting attention away from price and toward its other amenities. To wit, fast food advertising: it's selling meals, nowadays, not snacks.

We are at a moment in our national history where there is a loss of confidence in just about everything. People feel frustrated because they are not living as well as they think they should on their incomes. There is a feeling of loss of control of one's destiny. These feelings translate themselves into a consumer behavior which is *over reactive*. What this does to sales is well illustrated by the effects of the gas crisis.

In May, eating place sales were up only 6.78 percent after a first quarter increase of 13.11 percent. This drop was due primarily to the gas problems on the West coast and to growing nervousness about the economy. June, with the gas problems in the East coast will show similar bad results. The declines in these two months from basic trends will cost 0.85 percentage points off the gains for the year. This means that the *psychology* of the customer is now becoming more important than economics per se. The overreactions to events by consumers will create interruptions in basic sales patterns. Restaurateurs must learn to react quickly to changes in consumer attitudes.

This summary was prepared by RBI Research and Malcolm Knapp, president of Malcolm M. Knapp, Inc., New York. The 1977 NRA sales and purchases data used in this eight major market and 36 sub market growth report were prepared by Mr. Knapp under contract with the National Restaurant Association. Estimates for 1978 and projections to 1983 were prepared by Mr. Knapp specifically for Restaurant Business *Magazine.*

BEST AVAILABLE COPY

Separate Eating and Drinking Places

Despite the many challenges that beset commercial restaurant operators today, the basic outlook for the eating place market is one of sustained healthy growth in the 1980's.

No doubt the decade ahead will have its casualties just as the 1960's and 70's saw the demise of those ill-conceived and poorly managed restaurant operations.

Fierce market battles loom ahead for the older menu concepts—hamburger, chicken and pizza—and in certain geographic areas, especially California.

The fast food chains, in particular, will be hard pressed to maintain their historical growth rates in revenues and earnings by simply opening new units. The lack of prime locations and the escalating cost of real estate will force public restaurant companies to focus on increasing existing-store sales and profits to satisfy the earnings-per-share demands of their stockholders.

Nonetheless, the commercial restaurant market continues to be the beneficiary of favorable shifts in the American demographic make-up and the evolution of consumer lifestyles. "Smaller households, more married women working, increased discretionary income and higher education in the 1980's will fuel continued reliance on the away-from-home-food market," asserts William Hale of A. D. Little.

Just as in war, to the victor belongs the spoils, so too in the upcoming market battle, to the savvy marketer belongs the consumer.

But restaurant operators will find that the selling strategies of the 1950's and 60's will not win the consumer of today who is "Me-oriented," notes Mike Minchin, vice president of marketing for the Sizzler Family Steak House chain. "The age of Me is a cautious, skeptical age. People are beginning to read labels, examine ingredients. They are more price conscious and they get upset when products don't perform."

With the proliferation of food choices available to today's discriminating consumer, restaurant chains are working overtime to develop a "unique selling proposition" for their product lines.

The chains no longer own a particular market. Competitive menu concepts are now on every corner. Chain marketers are awakening to the fact that they can no longer afford to sell hamburgers, pizza or chicken. Instead they are pitching their "brand" of these foods.

In short they are out to end the free ride their competitors enjoy under their advertising umbrella.

Some industry analysts blame the recent weakness in unit sales of Winchell's Donut Houses on the West Coast to the chain's strong "generic" advertising campaign which sold consumers in its market on eating donuts—anybody's donuts.

To shore up its consumer image which had slipped in recent years, KFC Corp. is in the midst of a major "image enchancement" program which includes an upgraded decor package, inside seating and renewed emphasis on quality, cleanliness and service. And to set itself apart from its chicken competitors, KFC is spotlighting its Original Recipe product in its advertising campaigns and charging a premium (of three cents more per piece) for it on its menu which also features Extra Crispy.

And even McDonald's—the indomitable force in all of fast food land—is flinching from the erosion of its product image in the eyes of the consumers who favor Wendy's and Burger King. As a result, this May McDonald's counter attacked with a new advertising theme—Nobody can do it like McDonald's can—in order to differentiate itself from its burger competition.

In the dinner house market, image differentiation takes on a different meaning. "The thinking used to be that there was greater advertising value in utilizing the same name and building appearance in more than one location," points out Laventhol & Horwath in its 1978 report on restaurant operations in California. "While this approach continues to have validity for fast food and coffee shops, California diners have begun to show resistance to 'stamp 'em out' dinner houses."

L&H spots a growing trend to use different names, decors and themes for essentially similar restaurants in order to achieve a "neighborhood" restaurant image for the dinner house chains.

This trend away from the "cookie cutter" approach is by no means peculiar to the West Coast. Denver restaurateurs Ed Novak and Fred Borra who operate a five-unit chain of Broker restaurants there have found that "the best way for us to succeed is to have our restaurants competing with each other. Instead of standardizing our entire concept, we offer the same basic menu in distinctly different environments. Our Denver customers pick the Broker they feel most comfortable in."

If Americans today are more concerned with self, they are also more concerned with their personal safety and security. In food this

Natural Eats, of Boca Raton, Fla., has created a profitable niche in healthy foods restaurant market.

translates into the "safety" of the food they eat and in the nutritional quality of the food they eat. This in turn has nurtured a new genre of peculiarly American restaurants—the so-called healthy foods establishments which are particularly successful in the major urban markets throughout the country. Their main selling points are their use of fresh fruits and vegetables, whole grain baked goods usually made on premises and the avoidance of red meats as well as artificial ingredients and preservatives. Whether or not these natural food restaurants offer more "healthy" fare than traditional restaurants is for the food scientists to decide. However, there is no denying that their patrons perceive they are eating better.

The Salad Bar restaurant chain, launched in Scottsdale, Ariz. in 1973, has found success in its 13 western state market area with its concept of "good, healthy fresh food, moderately priced, in pleasant surroundings." Today there are over 50 Salad Bars in the West, most of them franchised. They are located primarily in leased space within existing downtown buildings, malls and shopping centers.

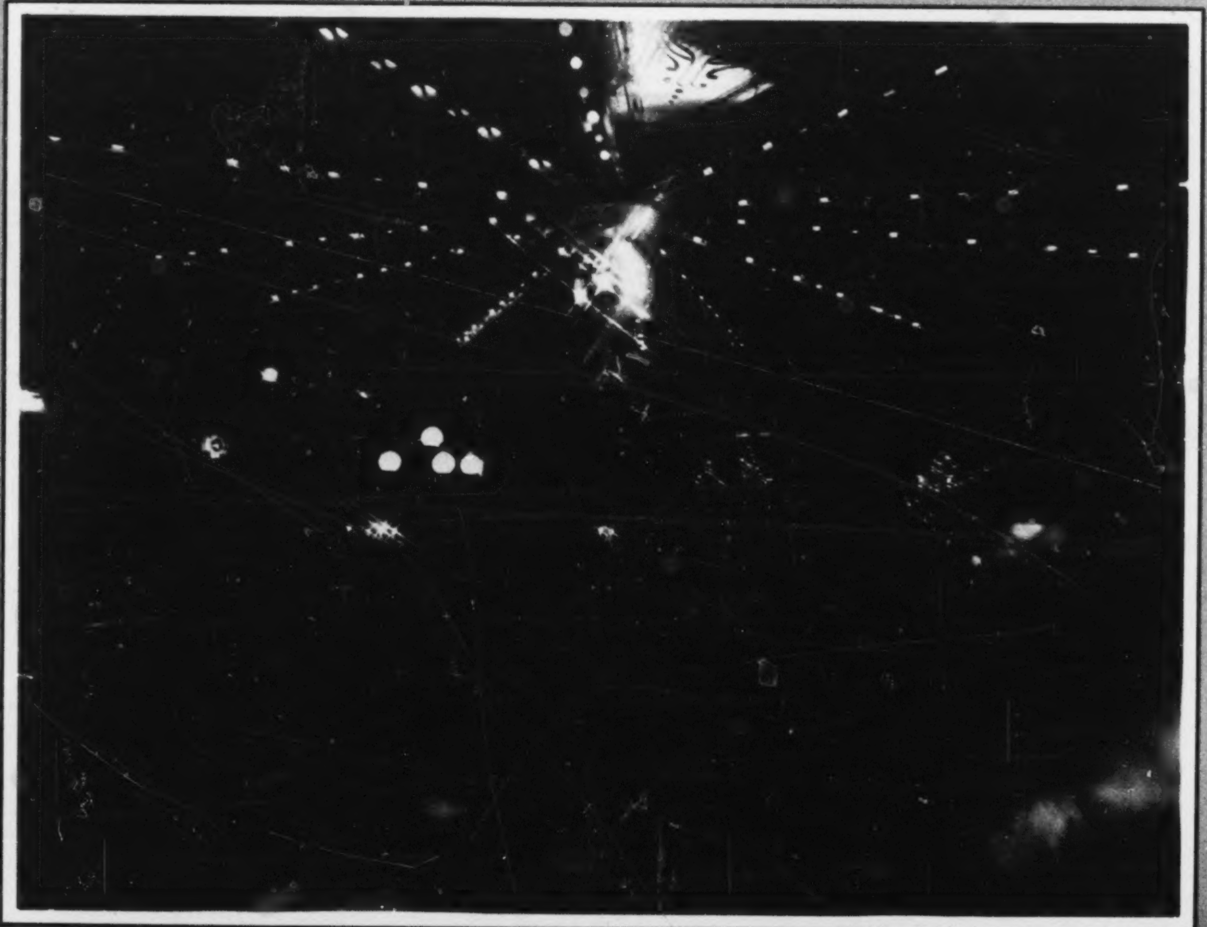
The menu offers an array of salads, sandwiches and soups. There is no cooking or even a stove or oven in the restaurants. Hot foods are prepared in a microwave.

Another growing chain of healthy foods restaurants is Natural Eats, headquartered in Boca Raton, Fla. Natural Eats is unusual in that it provides nutritional information on its menu of salads and sandwiches (all its sandwiches are served hot). Included in the nutritional breakdown by menu item is the number of carbohydrates, protein, fiber fat and calories—all in grams.

At present there are 12 Natural Eats in operation, eight of which are franchised.

While the fast food chains are not rushing to add bean sprouts and carrot juice to their menus, they have armed themselves with nutritional reports which show that their bill of fare is also "good for you." And some are beginning to communicate their nutritional message in their advertising—albeit low key.

Arby's, for instance, is telling its customers: "Don't worry mom, I'm eating right. I'm eating at Arby's." Arthur Treacher's message is:



The Jubilation discotheque gives the Broker Inn, in Boulder, Col., the dimension of an entertainment center.

"Take time out for the good things in life." And KFC's new slogan, "It's so nice to feel so good about a meal," implies wholesomeness.

If Americans are more aware of what they eat, they are also growing more conscious about what they drink. Their tastes in spirits are moving more toward lighter proof drinks. Mineral water is fast becoming the most popular mixer—or served by itself. And a glass of white wine, some say, is the most popular alcoholic drink in America.

Wine bars—the concept is imported from London—are opening across the country. They feature a variety of premium domestic and imported wines by the glass, accompanied by a menu of salads, charcuterie, cheeses, fruits and breads.

Today's consumer—older and better educated—is more demanding in what he eats and drinks. He wants more variety, better quality food and drink, and is more prone to experiment with different taste sensations.

The Commissary, for one, located in Philadelphia, is capitalizing on that city's growing culinary appetite for fine food and wine.

This 228-seat restaurant which grossed $4 million in sales last year offers its patrons a number of different eating and drinking experiences under one roof. It includes a 75-seat tableservice Upstairs restaurant, 100-seat cafeteria-service Downstairs eatery, a 35-seat Piano Bar, and an 18-stool Wine Bar.

Fine food and wine is also the focal point of the new Jacques restaurant in Dayton, Ohio. The restaurant—part of the 10-unit Jacques Restaurant Division of Canteen Corp.—features an oak bar with brass, lion's head rail at which patrons can purchase fine wines by the glass. Behind the bar is a wine vault of more than 100 imported and domestic wines. Patrons are able to walk into the wine vault to personally select their choice.

Notwithstanding the growth of imported wine and international cuisine in this country, American fast food fare continues to dominate the mass foodservice market at home as well as abroad.

Indeed, fast food restaurants continue to be the largest category of U.S. franchises in foreign countries, according to the U.S. Department of Commerce. The growing Japa-

An 18-stool wine bar and a display cooking station called the Back Kitchen are just two of the many food and beverage operations within the Commissary restaurant in Philadelphia.

nese appetite for American style food has helped push Japan into the second largest foreign market for U.S. fast food franchisors with 460 outlets there at the end of 1977. Canada ranked first with over 1,000 outlets. At the end of 1977 there were 29 U.S. fast food companies operating 2,865 units outside the country.

While U.S. companies look to foreign markets to support their unit expansion plans, especially as the domestic market becomes saturated with their particular concept, it is interesting to note the growing number of foreign restaurant chains establishing beachheads in the U.S.

Wienerwald, the Swiss restaurant and hotel firm headed by Friedrich Jahn last year acquired the 266-unit Lums restaurant chain and this June acquired 51 percent interest in IHOP Corp. which is the parent of the 485-unit International House of Pancakes franchise chain. Wienerwald plans to introduce its famous spit-roasted chicken to the U.S. market through its Lums restaurants and plans to export IHOP restaurants to Europe.

A number of Canadian and Japanese firms have also recently entered the U.S. market.

Down from Canada has come: St. Hubert Roasted Chicken, a 30-unit chain in Quebec, which opened its first unit in the U.S. this June in Fort Lauderdale; Swiss Chalet Bar-B-Q, a 12-unit Canadian chicken chain which now has operations in upstate New York, Springfield, Va., Washington, D.C., and Fort Lauderdale; and Mike's Submarines, a 46-unit sub and pizza chain operating in the provinces of Quebec and Ontario, which has opened three units in the Boston area and plans 30 more units for the greater Boston area within the next two years.

But the biggest push into the U.S. fast food market is coming from Japan.

Yoshinoya, Japan's fifth largest fast food chain with 270 Beef Bowl units at home, has launched a major expansion program for its concept of thinly sliced beef served on top of a bowl of rice in California. After a seven-unit test in Denver, this June the chain opened its first Los Angeles store and plans to have 100 units in the state by the end of next year.

Hokkoku Shoji, Japan's third largest fast food chain, has opened five of its Dosanko combination noodle and soup shops in New York City and plans to open 100 more units in the next five years.

And the Sugano restaurant system which operates 90 Japanese sandwich shops at home, this July opened its fourth U.S. outlet, called Sandwich Restaurant Gourmet, in New York. It already has units in Honolulu, Portland, Ore., and Vancouver, Wash.

But it is not the influx of foreign competition that most concerns today's restaurant operator be he chain or independent. Rather it is double-digit inflation—menu prices are expected to increase 11 percent this year due to escalating food, labor and energy costs—and the current gasoline shortage which has resulted in a sharp decline in dining out in suburban and resort locations in those states experiencing severe shortages.

To combat inflation, restaurant operators are being forced to raise menu prices, reduce portions, feature less costly entrees, and cut back on payroll hours.

To help ease the impact of the energy shortage, restaurateurs are working through their state associations to increase the allocation of gasoline in their market area, and working with their state tourist bureaus to encourage gas stations to open at least one day during the weekend. In addition, the National Restaurant Association has put together a comprehensive Energy Conservation Program for restaurants to use as an alternative to the uncomfortable 78 degree building temperature restrictions imposed by the Federal government.

Separate Eating and Drinking Place Sales

1977 $57,994,332 + 10.8% sales growth

1978 $64,048,254 + 10.4% sales growth

1983 $102,685,803 + 9.9% compound annual sales growth

	1977 Sales (000,000)	1977 Purchases (000,000)	1977 vs 1976 Growth	1978 Sales (000,000)	1978 Purchases (000,000)	1978 vs 1977 Growth	1983 Sales (000,000)	Compound Annual Growth
Full menu restaurants and lunchrooms	$28,808	$11,319	10.5%	$31,745	$12,568	10.2%	$50,637	9.8%
Social caterers	1,137	462	9.6	1,243	507	9.6	1,990	9.9
Public cafeterias	2,738	1,038	9.5	2,998	1,134	9.5	4,701	9.4
Limited menu restaurants	17,126	6,160	14.9	19,498	6,974	13.8	34,589	12.1
Ice cream, frozen custard stands	614	196	11.4	690	219	12.5	1,150	10.7
Bars and taverns	7,572	2,321	4.0	7,875	2,434	4.0	9,623	4.1
	$57,994	$21,497	10.8	$64,048	$23,836	10.4	102,686	9.9

The Hotel/Motel Market

The improvement in room occupancy which began early in 1977 has continued without pause through 1978, according to Laventhol & Horwath's 1978 report on the U.S. lodging industry. It projected room occupancy at 70 percent for 1978, three percent higher than the prior year level.

However, the lodging industry's food and beverage sales are not keeping pace with the growth of their room sales.

"The portion of the revenue dollar derived from food and beverage sales continued to decline in 1977 and the portion from room sales rose by more than one percent. Since 1974, the total of the food and beverage sales portion has dropped eight percent," states the L&H 1978 lodging report.

According to the U.S. Travel Data Center the number of persons travelling for business and pleasure is growing at an annual rate of about five percent (In 1976 there were nearly 2.9 billion person-nights spent away from home on trips of more than 100 miles in one direction.)

Lodging operators are employing a number of merchandising programs to boost their food and beverage sales.

Sunday brunch is becoming an increasingly popular method of building sales for transient hotels. It attracts a local clientele and offsets the drop in room occupancy these

MPAR
AMPARI
ZANO

The Disneyland Hotel, Anaheim, Cal., offers a Sunday champagne brunch in its buffet-style Chef's Kitchen restaurant.

hotels traditionally experience on weekends. Escape packages on weekends with meals included are also used to boost occupancy and food and beverage sales.

Capitalizing on the current gasoline shortage, the Ambassador East Hotel, Chicago, this summer began offering a special weekend escape from the gas crunch. In addition to breakfast in bed, its vacation package includes a picnic box lunch and the loan of a bicycle or skates for an energy-saving jaunt to a nearby park.

To cater to the individual businessman or woman traveling alone, a number of hotel and motel operators are setting special Captain's Tables.

This year Best Western International began urging the nearly 2,200 Best Western members throughout the world to set at least one 'Traveler's Hospitality Table' in their dining facilities.

"When a guest is being seated by the maitre d', he will be asked if he or she would like to be seated at the Traveler's Hospitality Table," explains Robert C. Hazard Jr., Best Western's chief executive officer. "No couples will be seated there, only individuals. This will permit the traveler to share dinner and some conversation and help to pass the time in a more pleasant manner."

Sheraton Hotels is also recommending that each of its properties establish a communal dining room table for individual travelers.

In his "Ingredients" newsletter this March, Stephen Peeck, Sheraton's director of food and beverage, recommends that each property: "Consider establishing an eight-seat Captain's Table for dinner with a fresh flower centerpiece and complimentary dishes of relish type items.

"An attractive letter with artwork could be placed in each guestroom announcing the availability of the Captain's Table and encouraging the guest to call and reserve a place at the table for one of the seatings.

"It is best handled in specified seatings such as 5:30, 7, 8:30, and 10 p.m.

"The waiter would, of course, be one of the best and would handle each seat with a separate check.

"The host or hostess would assume the full meaning of the role, by introducing the guests to each other."

To build banquet business, hotel operators are offering business and civic groups customized catering services.

For instance, The Pointe Resort, a 227-suite, two-restaurant resort complex in Phoenix, Ariz., employs a special studio as well as writers, photographers, set designers and audio visual experts to create elaborate, customized parties for local groups and conventioneers.

Additionally hotel operators are revamping their restaurant menus and decors to reflect changing consumer lifestyles and tastes. Today natural foods are being featured in the dining rooms and discotheques installed in the lounges.

A salad and dessert bar, called the Food Fare, and a glass-enclosed rotisserie for roast duckling are the specialties of Hyatt's T. J. Peppercorn restaurant in Lincolnwood, Ill.

Stan Bromley, vice president, food and beverage operations for Hyatt Hotels Corp., sees a growing trend toward more "natural" foods in hotel dining rooms as well as a trend toward 'nouvelle cuisine' which "takes the fats and butter out of cooking and uses unsaturated fats in their place.

"People are more interested in looking trim and are more conscious of their health," explains Bromley.

At the same time, he notes that people are more willing to experiment with new taste sensations.

To stimulate menu creativity on the part of its local chefs and food and beverage directors, Bromley notes "Hyatt limits the number of standardized menu items and recipes to a basic few.

"I challenge them to show me new ideas ... to try new ways of cooking vegetables ... to add something new.

"For example our chef in our San Francisco property has recently created an interesting quiche trio for lunch, and our chef in Dallas has added a new taste to chef salad by adding strips of smoked salmon. We get photographs of these dishes and send them to our other properties. We give credit to their creators and challenge others to develop something similar."

Hotel/Motel Market: Foodservice Sales

1977 $4,816,698 + 8.5% sales growth

1978 $5,273,904 + 9.5% sales growth

1983 $7,852,843 + 8.3% compound annual growth

	1977 Sales (000,000)	1977 Purchases (000,000)	1977 vs 1976 Growth	1978 Sales (000,000)	1978 Purchases (000,000)	1978 vs 1977 Growth	1983 Sales (000,000)	Compound Annual Growth
Hotels	$2,680	$ 901	8.8%	$2,942	$ 989	9.8%	$	%
Motor Hotels	657	221	8.0	716	241	9.0		
Motels	1,479	538	8.2	1,615	587	9.2		
	$4,817	$1,660	8.5	$5,274	$1,817	9.5	$7,853	8.3

BEST AVAILABLE COPY

BEST AVAILABLE COPY

The Leisure Market

Although the leisure market last year lost its position of pre-eminence as the leading growth segment of the foodservice industry, sales within this market segment have continued to climb at a healthy 13 percent clip for each of the past several years.

Shorter workweeks, longer vacations, increased number of holidays and days off, rising personal income, earlier retirement have all contributed to the success story in this sector of the foodservice industry.

Casting gloom over the otherwise bright outlook for the leisure market is the current gasoline shortage.

"We have experienced an appreciable drop off in attendance at our Mesa Verde national park account due to the fuel shortage," reports Larry Kilfoy, vice president of sales and marketing for ARASERV, division of ARA.

"On the other hand, attendance at our facilities at Bear Mountain and the Palisades state parks in New York is holding up. These parks are only one hour's drive from New York and thus much closer to the population center from which they draw.

As motorists pass up long distance vacations, those segments of the leisure market which will suffer the most appear to be ski resorts, isolated national and state parks, and theme parks located away from major population centers.

However, on the winning side are bowling alleys, sports stadiums, arenas, and amusement parks close to home.

Because they usually draw from major metropolitan centers, sports stadiums and arenas, in particular, seem to be well insulated from any protracted fuel shortages. And in fact, attendance at most major sports—both college and professional—continues to climb.

Enjoying major growth in attendance, according to Kilfoy, are horse-racing tracks. "In the past few years off-track betting had cut into the revenues of the tracks, but now it appears that the horse-racing operators are succeeding in reaching the youth market and pushing up attendance records."

Racing already is the number one spectator sport in America. Last year it attracted over 79 million fans.

By comparison, baseball—America's national sport—attracted 54.8 million fans in 1978. Other attendance figures for last year: combined attendance at college and professional football games was 48.8 million; at basketball games 39 million; auto racing 50 million; greyhound racing 20 million, hockey 9 million, and boxing 4 million.

While fast food is still the standard food at sporting events, Kilfoy notes that Americans are becoming "more sophisticated in their eating habits. Five years ago wine was looked down upon by stadium fans. However, now that we are attracting a younger market our wine sales are growing at the expense of our beer sales."

Despite rising menu prices, Kilfoy says stadium concessionaires have encountered little price-resistance from the fans. He attributes this in part to better merchandising by stadium foodservice operators. "We have come to realize that we are competing with the fast food chains on the street. We have expanded our menu offerings to include such popular items as pizza, Mexican food, deli sandwiches, etc. And we have improved the visual appeal of snack bars through the use of coordinated design themes and full-color menu signs which promote key food items."

Guests spent more than $14 each on rides, merchandise, food, etc. last year at Marriott's Great America theme parks.

Leisure Market: Foodservice Sales

1977 $1,794,278 + 13.9% sales growth

1978 $2,038,936 + 13.6% sales growth

1983 $3,504,363 + 11.4% compound annual growth

	1977 Sales (000,000)	1977 Purchases (000,000)	1977 vs 1976 Growth	1978 Sales (000,000)	1978 Purchases (000,000)	1978 vs 1977 Growth	1983 Sales (000,000)	Compound Annual Growth
Places for special events/seasonal recreation	$1,207	$446	14.7%	$1,378	$510	14.2%	$	%
Drive-in movie theaters	128	42	19.7	152	50	18.6		
Bowling lanes	365	149	10.6	404	166	10.8		
Sporting and recreational camps	95	57	10.3	105	63	10.6		
	$1,794	$695	13.9	$2,039	$788	13.6	$3,504	11.4

Ca
Espres
Espres
cht

BEST AVAILABLE COPY

The Transportation Market

The transportation market achieved the highest annual growth rate last year of all other major segments of the foodservice industry. It posted estimated sales of $1.5 billion, up 15.4 percent over its 1977 performance.

And based on our projections through 1983, it is expected to continue to lead all other market segments in compound annual growth.

Thanks to the proliferation of discount air fares, U.S. airlines flew 275 million revenue passenger miles (one passenger flying one mile) last year representing a 14 percent increase over 1977.

While the increase in airline travel has been a bonanza for terminal foodservice operators, the discount fares have been a bust for inflight caterers as airlines have cut back on the level of foodservice to cut costs.

Marriott Corp. is not alone when it reports shrinking margins for its airline catering business over the past few years. Marriott operates 43 flight kitchens in 33 cities of the U.S., Mexico, and the Caribbean.

"Changes in route awards, fares and passenger loads are impacting adversely on airline foodservice," says Marriott in its 1978 annual report.

"Discounts in air fares propelled the number of passengers enplaned to record highs in 1978. Unfortunately, the lower fares also influenced several airlines to convert some of their foodservice to snacks, which involve proportionately more labor per sales dollar than complete meals. With most pricing formulas historically based primarily on food costs, rather than labor, profits have fallen."

The sales picture for food and beverage operators at airport terminals has never been brighter. With flights booked solid over most major routes, people are arriving at airports further in advance of their departure, "which means they are spending more time waiting in our lounges and restaurants," points out Nelson Fitch, director of communications for Host International which operates food, beverage, merchandise and hotel accommodations at 23 airport terminals in the U.S. Last year sales from Host's airport operations soared 24 percent to $190 million, and it reports sales for the first half of 1979 are up 21 percent over its year earlier performance.

From Host's viewpoint there are three major trends occurring in terminal foodservice: more attractive restaurants, expanded menus, and more self-service.

"Decor is our primary advertising vehicle for our terminal restaurants," notes Fitch.

"The themes of our new facilities are tied to the history of the area. At Logan Airport we operate the Colonial dining room and Old Boston Saloon; in Minneapolis, our facilities spotlight the history of the airport and Charles Lindbergh; and our redesigned lounges at Los Angeles International reflect that market's Mexican influences as well as Hollywood and the California coast line."

In addition to theme decors, Host is adding specialty menu restaurants in its new terminal facilities. It has spent $3 million to build seven restaurants, cocktail lounges and dining boutiques in the North Terminal at San Francisco International Airport.

Two of the most unusual dining facilities in the terminal, which opened in April, are the Crab Pot and Cafe Espresso.

The Crab Pot features a seafood menu of fresh crab, shrimp, oyster

Host International's Cafe Espresso, at San Francisco International Airport, serves a variety of tortes and pastries as well as espresso and cappuccino.

Transportation Market: Foodservice Sales

1977 $1,309,848 + 12.8% sales growth

1978 $1,512,117 + 15.4% sales growth

1983 $2,879,668 + 13.8% compound annual growth

	1977 Sales (000,000)	1977 Purchases (000,000)	1977 vs 1976 Growth	1978 Sales (000,000)	1978 Purchases (000,000)	1978 vs 1977 Growth	1983 Sales (000,000)	Compound Annual Growth
Air & rail (in transit)	$ 684	$339	12.4%	$ 791	$386	15.7%	$	%
Terminal facilities	337	124	14.2	398	147	18.2		
Highway (interstate)	210	78	12.6	235	87	12.0		
Passenger & cargo liners	79	43	10.3	88	48	11.0		
	$1,310	$584	12.8	$1,512	$668	15.4	$2,880	13.8

and clam specialties as well as chowder and cioppino.

Cafe Espresso, with a canopied terrace and brick walls, serves a variety of espresso and cappuccino coffee drinks, as well as cakes, tortes, and pastries.

And to cater to its growing self service market, Host is expanding its coffeehouse and snack bar menus. For instance, Host's new North Terminal coffeehouse offers an extensive menu of hot entrees, hot and cold sandwiches, quiche and variety of salads. And its terminal snack bar offers a menu of quiche, salads, hot and cold sandwiches, chili, desserts and beverages including beer and wine.

Despite the fact that intercity bus service business "continued to lag" last year, according to Greyhound Corp., due in part to "airline discount fares and subsidized Amtrak fares," Greyhound's Post House restaurant division posted a 42 percent profit jump in 1978.

Greyhound Food Management has been able to insulate itself from the problems of its sister division by totally revamping its Post House restaurant operations over the last three years.

To turn around its marginally profitable Post House subsidiary GFM has converted 16 of its 80 bus terminal foodservice facilities into Burger Kings and plans to have 25 Burger Kings in operation by the end of next year. Two of the units are free-standing operations located on major interstate highways, but a company spokeswoman notes that the company's interstate buses stop at the restaurants while enroute to a destination.

Other Post Houses have been converted into theme restaurants which feature a number of menu specialties taken from their respective markets. In addition, GFM has instituted a new quality control program and a new management training program in its Post House division.

GFM has found that its Burger King units generate far better sales and profits in every case than its theme restaurants. And it has found that off-the-street traffic accounts for as much as 80 percent of their fast food unit sales—a major reason why Greyhound's terminal foodservice profits are up while profits from its intercity passenger business has declined.

BURGER KING
BURG

In Omaha, Neb., the local Burger King is also the local Greyhound bus terminal.

The Retail Market

The pressure is on in-store foodservice—from within and from without—to improve its sales and profit performance or else give up its real estate to a more productive department.

From within, chain store presidents are looking at their foodservice department's contribution to store revenues. If below par, they are telling their foodservice directors to develop a strategic plan and marketing program to justify their existence. Stores are getting smaller as real estate costs continue to climb. And restaurants not only occupy valuable square feet of retail space, they are also capital and labor intensive. Traditionally, in-store food operations could prove their worth simply by the fact that they record more transactions than any other department—and thus generate traffic for other departments.

Now foodservice directors are under pressure to build profitable traffic for their own department.

From without, in-store restaurants must compete with a growing number of other in-line foodservice tenants—cookie counters, healthy foods boutiques, full-line cafeterias and theme restaurants—all of whom are vying for the patronage of today's shopper who is more price conscious, more quality conscious and more fashion oriented than ever before. And, we might add, in light of rising gasoline costs, less inclined to spend the day window shopping in suburban malls.

Retail foodservice directors are responding to these challenges with small food boutiques of their own which require a smaller investment in space, equipment and labor but which generate higher customer counts and a better ROIC. Retailers are locating these high volume food units in strategic places throughout the store to draw traffic into key merchandise areas and to create traffic through store entries which previously did not have high traffic.

And to keep up with the fashion trends in foodservice, retailers are creating restaurants within restaurants—a device that allows them to give a new look and taste to their in-store restaurants without substantial remodelling costs.

Carson Pirie Scott, for instance, in its downtown Chicago store this January converted one-third of its 450-seat full-menu Grill restaurant into the 90-seat limited menu Pub—sporting a German decor similar to a rathskeller. In addition to cocktails, draught beer, and house wines, the menu features "baked potato specialties as a meal" such as potato Reuben (baked potato topped with sauerkraut, juliennes of corned beef and Swiss cheese, lettuce and fresh fruit garnish) and potato Florentine (with creamed spinach, Swiss cheese, parmesan cheese, lettuce and fresh fruit garnish." Also featured are a variety of "soup and" as well as "sandwich and" menu combinations. "The Pub is drawing in a new customer for us," explains Walter Clesle, director of food services. Carson's Grill, which formerly was called the Men's Grill, draws in the business executive for lunch, while the Pub is attracting young men and women—shoppers as well as office workers—out for a quick, light meal."

Clesle for one is a firm believer that the healthy foods trend is here to stay and therefore is emphasizing in Carson's branch restaurants salad buffets with a greater variety of fresh fruits and vegetables "laid out under glass for maximum eye appeal." He is also testing in his branch buffets an omelet bar con-

Retail Markets: Foodservice Sales

1977 $2,887,773 + 7.0% sales growth

1978 $3,101,423 + 7.4% sales growth

1983 $4,668,060 + 8.5% compound annual growth

	1977 Sales (000,000)	1977 Purchases (000,000)	1977 vs 1976 Growth	1978 Sales (000,000)	1978 Purchases (000,000)	1978 vs 1977 Growth	1983 Sales (000,000)	Compound Annual Growth
Department Stores	$ 863	$ 345	6.6%	$ 934	$ 374	8.3%	$1,447	9.2%
Variety and general merchandise stores	61	240	6.0	633	246	2.8	871	6.6
Drug and proprietary stores	523	199	6.9	561	213	7.2	792	7.2
Other specialized retail stores (including food outlets)	886	322	8.2	973	354	9.8	1,558	9.9
	$2,888	$1,106	7.0	$3,101	$1,187	7.4	$4,668	8.5

In-store restaurants must compete with a growing number of other in-line foodservice tenants—cookie counters, healthy foods boutiques, full-line cafeterias, and theme restaurants—all of whom are vying for the patronage of today's shopper who is more price conscious, more quality conscious and more fashion oriented than ever before.

BEST AVAILABLE COPY

cept where customers can order custom-made egg creations.

And he foresees suburban shopping trips becoming special occasions—families outings on weekends—as people cut back on their weekday trips. To capture this family market, Carson is expanding its traditional Sunday brunch menu to feature more crepes and quiches for the young adults and more puddings for the kids. And it plans to turn Saturdays into "family day" in its restaurants.

"We will raise our prices and give more," says Clesle, who notes that his chain has also brought back its "Western Night Buffet" which has proved to be popular among family groups in the past. Reintroduced this summer, the Western Buffet features barbecued ribs, fried chicken, breaded pork chops and all the trimmings at $4.50 per person and $1.75 for children under eight years old. Guests are entertained by a western guitarist who roves from table to table.

No longer satisfied with attracting store shoppers only, retailers are pulling in customers from off the street by opening signature restaurants inside.

Last November, Alexander's in New York City debuted its Cafe A' Lex, a 265-seat indoor cafe which sports a green carpeted promenade area with umbrella tables "outside" and "inside" a lunch counter on one-side and on the other a table-service area. The restaurant which turns its tables five times at lunch features sandwiches, quiches, bagels, salads, a special diet plate, as well as cappuccino and imported beer on tap.

It's not unusual for department store restaurants to tie into storewide promotions with related menu specialties and festive banners. But Bloomingdale's in New York has taken this concept of cross-merchandising one step further via its new Le Train Bleu restaurant located in the back of its housewares department.

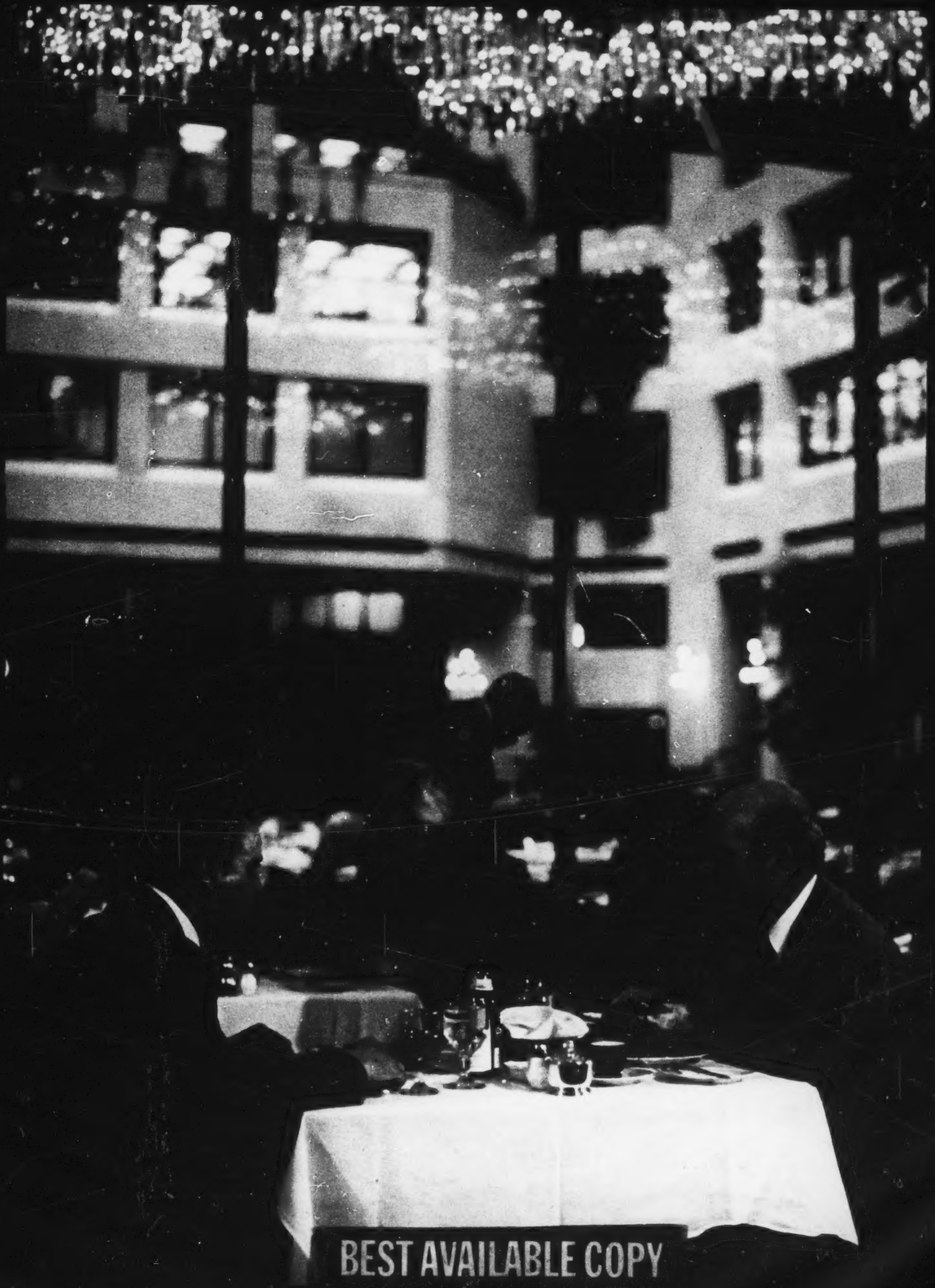
Modeled after a turn-of-the-century train dining car that ran from London and Paris to the Riviera, the 72-passenger restaurant features an international menu of food and wine that produces a check average of $14.50 and generates from 3 to 4½ turns during the shopping day depending on the day of the week. But the most remarkable feature of the restaurant is not listed on the menu, but sits on the table-tops. The table-settings are for sale elsewhere in the store, as are the food processors and other equipment visible in the exhibition kitchen.

Originally conceived as a fast food operation around which the store intended to showcase its housewares, says Will Hellemeyer, food director, "It became clear that there was a great unfulfilled demand for a sit down restaurant within the store. Gradually, Le Train Bleu evolved."

For further detail, on both Alexander's Cafe A'Lex and Bloomingdale's Le Train Bleu, turn to page 107 of this issue.

In the new Le Train Bleu restaurant in Bloomingdale's, New York City, diners can not only shop the menu but also the table settings and furnishings as many items in the restaurant are for sale in the store.

Photograph by Pierre Scherman



BEST AVAILABLE COPY

The Business/Industrial Market

The business/industrial segment of the foodservice market has enjoyed above average growth for the past two years—thanks to the expanding U.S. economy which has spurred rising employment. While total foodservice sales have increased 10.1 percent for each of the past two years, sales in the business/industrial market have jumped ahead by 11.3 percent in 1977 and 11.5 percent in 1978.

The market—which is 80 percent penetrated by contract management firms—is highly competitive. To gain a marketing edge the innovative companies serving this segment are offering their clients new on-site merchandising programs and are implementing cost-containment systems.

One of Greyhound Food Management's newest foodservice concepts is "Eatin's Easy." Introduced this spring, the program combines "the menu variety of cafeteria dining with the simplicity and speed of service found in fast-food operations." It is designed to satisfy the foodservice needs and tastes of today's mixed profile of workers whether they want a complete hot meal, fast food, or just a light soup and salad.

To eliminate long cafeteria lines and speed service, the program employs the fast-food format of a multiline walk-up service counter. Large overhead menu boards direct employees to one of three service stations, each with its own cashier. Employees can choose from: Food Fare (hot entree, vegetables, sandwiches, salads, dessert and beverages), Quick Check (chef's salad, tossed salad, soup, pastry, sundaes, and beverages) and Burger Express (burgers, hot dogs, french fries, onion rings, etc.).

In order to generate "employee interest and participation as well as insure a profitable sales mix," GFM plans to offer promotional specials which may change on a daily or weekly basis at each station.

According to GFM president John Teets, the Eatin's Easy program is designed to service smaller business or industry accounts which don't need a full-line cafeteria, or serve as a satellite foodservice station in a large plant or office complex.

Mannings Foodservice is expanding its GreatAmerican Feast program to include a "Top 40" menu plan. As the name implies, it consists of those menu items which have scored the highest marks in Mannings' customer preference surveys such as crepes, quiche, pizza, Mexican and Chinese specialties.

"Today inplant menus are competing with street fare," says Leo Van Meurs, president of Mannings' client services division. "In terms of new menu items, contract management firms are trend followers rather than trend setters. Today that means following the fast food trends in order to attract employees into our foodservice facilities."

Aside from fast food and ethnic

Foodservice in the executive dining room for the International Monetary Fund, Washington, D.C., is provided by Marriott's Food Service Management Division.

Business and Industry: Foodservice Sales

1977 $5,293,978 + 11.3% sales growth

1978 $5,901,605 + 11.5% sales growth

1983 $9,044,567 + 8.9% compound annual growth

	1977 Sales (000,000)	1977 Purchases (000,000)	1977 vs 1976 Growth	1978 Sales (000,000)	1978 Purchases (000,000)	1978 vs 1977 Growth	1983 Sales (000,000)	Compound Annual Growth
Contract feeding in plants (cafeterias primarily)	$1,610	$ 750	11.0%	$1,790	$ 834	11.2%	$2,789	9.3%
Contract feeding in business offices	422	197	11.2	470	219	11.5	743	9.6
Internal feeding plants and business	1,053	515	10.3	1,167	571	10.8	1,777	8.8
Waterborne employees	192	116	8.1	209	127	8.8	283	6.2
Mobile on-street catering	333	117	13.0	378	132	13.3	611	10.1
Food vending machines (excluding soft drinks and candy)	1,683	572	12.2	1,887	642	12.1	2,842	8.5
U.S. Defense personnel		837			912	8.9		
Food furnished food service employees		2,357			2,634	11.8		
	$5,294	$5,462	11.3	$5,902	$6,070	11.5	$9,045	8.9

specialties, Van Meurs notes a growing demand for "healthy" foods among its business and industry clients. "We implemented a Natural Foods program one year ago and it's now in 20 percent of our accounts. We see interest in natural foods growing and we expect to have it in virtually all our accounts within the next few years."

For the diet and fitness conscious employees of its business and industrial clients, ARA Food Services is currently developing several "Physfoods" programs as an offshoot of its Rainbow system of nutrition education for school children.

The program was initiated last April by ARA registered dietitian Merle McKinley at the request of ARA client, the Boeing Co. in Seattle, as part of that company's Physical Fitness Training Table program.

As part of its Rainbow project at Boeing, ARA has written a series of articles on nutrition called "From the Inside Out," for publication in the company's employee magazine.

Rainbow posters and foods displays are located within the various eating facilities throughout the Boeing complex and special Rainbow menu items are made available at each foodservice location. ARA has even introduced Rainbow snacks in the plant's vending machines—sesame sticks, sunflower seeds, cheddar cheese chips, dry roasted peanuts, raisins, etc.

The Boeing program has proven so successful that ARA is now offering the series of articles on nutrition to its other business and industry clients for publication in their house organs.

And it will soon make available to them a nutritional menu program call "One Week at a Time"—based on the revised U.S. Dietary Goals published by Sen. McGovern's select committee on nutrition in 1977.

Posters and table tents explain the seven dietary goals recommended by the Senate committee. And each week employees are encouraged to pursue a specific goal by selecting foods in the cafeteria which have been designated as meeting that week's dietary objective.

This year, Canteen Corp. has also unveiled a nutrition education program for workers. "With so many health problems nutrition-related—including such serious conditions as obesity, high blood pressure and heart trouble—we anticipate that the program will have far-reaching, positive effects on productivity," says Canteen president Howard Miller.

Health Fare provides health tips on colorful memo sheets displayed in Canteen-managed plant cafeterias. Subjects include menu selection,

Facilities Planning
Marketing Services
Operations Servic
Welcomes You to
the Green House
the Green House

To enable inplant employees to dine "outside," ARA has developed the Greenhouse to handle a combination of vended and peak-hour manual foodservice.

weight reduction, fad diets, exercise, fat and cholesterol, sodium, fiber, daily nutritional requirements, and functions of basic vitamins. Calorie counter handouts will also be available to customers.

To keep a lid on rising food and labor costs which have eroded margins in their P&L accounts, contract management firms are stressing cost containment.

ARA, for instance, is relying on computers as an important aid in controlling costs. ARA's FOCUS (Food Operations Computerized Unit Systems) forecasts numbers of customers, precosts menus, and calculates food costs and usage. For day-to-day operations control, the system preprints a weekly inventory book, daily food production orders, storeroom requisitions and recipe cards batched to the number of portions for which customers are forecast.

To reduce its reliance on expensive vending equipment, The Macke Co. is employing a self-service food area called the Macke Mart. It offers employees a wide range of packaged foods displayed in open refrigerated cases and country-style wicker baskets. Hot foods such as soup and French fries are also available. "This method of feeding can improve sales by 15 to 20 percent in particular situations, and represents about half the investment of a 12-to-15 machine vending banks," points out Macke president Joe Kingrey.

Two major court decisions this year have sent shock waves through the business and industry foodservice market.

In May the Supreme Court ruled that employers who offer inplant cafeteria and vending services can be required to bargain with their workers over food prices and services. The case involved the Ford Motor Co's refusal to bargain with its union representatives over planned increases in food and beverage prices at one of its Illinois plants. The fact that a third-party supplier (contract caterer) might be involved does not matter, said the Court.

New York state business and industry feeders also lost an important court case this summer. There, they lost their appeal in the state's High Court to overturn a N.Y.S. Tax Commission ruling, involving Stouffer's, that said contract caterers must pay state sales tax on subsidy payments toward the price of a meal.

Legislation has been introduced in New York to prohibit the collection of sales tax on the subsidy payments. At stake are millions of dollars of sales tax bills that would be retroactive to 1974.

SILVER DOLLAR SALOON
GENERAL STORE
LIVERY STABLE

Greyhound Food Management is dressing up its public-area foodservice facilities with theme vending bank installations.

The Student Market

The student foodservice market lags behind all other major market segments in terms of its growth rate. Last year sales in this market reached $5.2 billion—up only 7.2 percent from the year earlier. And our five-year forecast shows the student market growing at only a 6.4 percent compound annual growth rate through 1983 when sales are expected to top $7 billion.

Hurting the growth of elementary and secondary school foodservice programs is the current surge in state tax reform amendments—such as California's Proposition 13—which make it difficult for states to match Federal government funding to expand their subsidized lunch and breakfast programs.

Pressured by taxpayer groups to put a lid on government spending, local and county education boards are turning to contract caterers and their professional management skills to cut costs. Last year, contract management firms accounted for 22 percent of the $2.4 billion elementary and secondary school market. By 1983 contract foodservice firms are expected to service 24 percent of this market which is projected to reach $3.2 billion in sales.

Among the cost containment programs contract management firms are instituting at the primary and secondary school level:

- Preparing and plating student meals at a central kitchen within the school district in order to reduce the cost of skilled labor needed for on-site preparation. Preplated meals are shipped to each school in thermal containers and reheated just prior to the meal period;
- Central purchasing of food supplies to take advantage of vender discounts on high volume orders;
- Computerized menu analysis which allows management firms to spot and react to changes in ingredient food costs on a more timely basis. Recipes can be adjusted to take advantage of lower cost ingredients and supplies.

In response to the increased participation by contract management companies in the National School Lunch Program, the federal government last year issued new USDA regulations to "protect such schools by setting up new controls over the terms and performance of contracts." In addition, the rules require that all contracts, as well as all local food service procurement, comply with Federal standards now in effect for state agencies.

Eat a Rainbow

The Rainbow system of nutrition education is explained to public school children by an ARA supervising dietitian. ARA recently adapted this program for use in its business and industry accounts as well.

As noted in the winter 1979 edition of the USDA's National Food Review publication, under the new rules, bids will be based on a 21-day menu cycle. Payment will be made only for food that meets specifications listed in the contract. Other contract provisions will detail recordkeeping and health certification requirements.

And under a proposed rule published this July in the Federal Register, the USDA is moving to restrict the sale of foods "of minimal nutritional value" until after the last lunch period. If adopted, the USDA ruling will affect 92,000 schools as of January 1, 1980.

The USDA has defined four categories of foods of limited nutritional value: soda water, water ices, chewing gum and candies. According to the USDA virtually all foods in these categories "provide less than five percent of each of the eight specified nutrients per 100 calories and per serving."

To overcome plate waste, some school systems are abandoning the traditional Type A lunch and in its place offering nutritionally enriched fast food fare—tacos, pizza, french fries, cheeseburgers, and super-shakes. New York City is currently testing such a program in three of its city high schools. The program is modelled after "The Energy Factory" system introduced in the Clark County Nevada school system in 1972.

Despite the fact that such fast food plans dramatically increase the number of students who eat in lunchrooms, some child nutritionists criticize the program for "pandering to the tastes built by the fast-food market." These critics charge that schools are fostering bad eating habits in children.

Colleges and universities are also seeking outside help from foodservice management firms to help check spiraling costs and to upgrade on-campus foodservice systems.

Last year contract caterers accounted for 33 percent of the $2.7 billion in foodservice sales on our nation's campuses. And by 1983 we project they will have a 35 percent share of the college and university market which is expected to increase to $3.8 billion.

Today students are finding as much variety in foodservice on campus as they are in off-campus restaurants—from fast food to formal dinners.

In addition to traditional cafeteria fare, students can choose from salad bars, build-your-own sandwich stations, healthy foods counters and even have a pizza delivered.

To keep up with the campus sprawl at the country's major colleges and universities, caterers are opening up satellite foodservice centers which offer a variety of fast foods, limited hot entrees and are supported by vending banks.

Caterers are finding these on-campus cash markets lucrative so long as the school administrators avoid putting "unreasonable restrictions" on the prices they can charge. On-campus board programs however are giving caterers a huge dose of indigestion. They usually operate such programs under fixed price contracts signed at the beginning of the school year. When food costs rise substantially higher than expected—as is the case this year—they find themselves operating at a loss.

Student Market: Foodservice Sales

1977 $4,806,762 + 6.3% sales growth

1978 $5,151,203 + 7.2% sales growth

1983 $7,009,811 + 6.4% compound annual growth

	1977 Sales (000,000)	1977 Purchases (000,000)	1977 vs 1976 Growth	1978 Sales (000,000)	1978 Purchases (000,000)	1978 vs 1977 Growth	1983 Sales (000,000)	Compound Annual Growth
School-internal (public, parochial, elementary & secondary)	$1,793	$2,468	3.4%	$1,892	$2,645	5.5%	$2,431	5.1%
School-contract	482	227	7.6	520	244	7.8	75	7.6
Colleges, universities-internal	1,708	975	7.9	1,843	1,052	7.9	2,489	6.2
Colleges and universities-contract	823	291	8.9	896	317	8.9	1,339	8.4
	$4,807	$3,962	6.3	$5,151	$4,259	7.2	$7,010	6.4

* Actual cash receipts from children reported by states to USDA (plus parochial and other private schools). Sales are lower than purchases because of subsidy programs.

** Not including $680,723,556 worth of commodites and milk; a 9.6% increase from 1976.

The Health Care Market

While the health care market—the second largest industry segment—is expanding at a slower pace than the overall foodservice market, it represents a major growth field for contract management firms. "Health care is the least penetrated foodservice market by management firms," notes John Metz, president of Custom Food Management Systems, Inc.

"Foodservice management companies account for less than 20 percent of the sales in this market. However, a growing number of hospital and nursing home directors are turning to outside management firms to help them contain the rising food and labor costs associated with their dietary departments."

Among the benefits contract management firms provide their health care clients, according to Metz, are: standardized operating controls and procedures, better purchasing power, and more efficient staff training and labor control systems.

"Our only asset is our people," points out Metz. "We are all faced with rising labor costs and the challenge of reducing employee turnover. But in the health care field these problems are particularly serious. Our company is developing a number of programs to train and motivate both hourly employees and unit managers. We have an ongoing management seminar program which instructs our managers in the behavioral sciences to help them motivate their unit employees. To lessen the strain turnover places on our operations we are emphasizing cross training for various positions in the dietary department. And we are working at reducing turnover by improving our career advancement opportunities and incentives."

Morrison Food Services, last October introduced a 10-part Cost Containment Program (concluded this spring) "to do our share in cutting overall hospital cost by two percent which is the goal of the President's Voluntary Effort Program," notes Everett C. Mills, senior vice president. Morrison is one of the leading healthcare caterers in the South. Over 60 percent of their 250 contract foodservice clients are hospitals and nursing homes.

According to Mills, Morrison's cost containment program was developed "to ease the cost/quality squeeze in customer/patient meal service. There has never been a year in the foodservice industry quite like it. The near 20 percent rise in food costs this year coupled with the climbing inflation rate and new minimum wage bases have burdened foodservice operators everywhere. The priorities of costs have risen to the forefront of management concern, often with the result of compromising meal quality to meet budget goals."

The first phase of Morrison's cost reduction program was implemented by its health care operations only. However, successive phases were put into effect in all its contract accounts.

In the first phase, the company's dietary managers were asked to complete an initial productivity evaluation. A formula was given to the Morrison hospital and nursing home managers to help them determine the total numbers of meals served per man hour worked. This allowed them to determine their productivity ratio, by which the measurement for department productivity through the subsequent phases of the actual cost-

Patient meal service at Philadelphia College of Osteopathic Medicine last year was switched from a traditional food production system to the Regethermic system of cook/chill/reheat by Custom Food Management Systems, Inc. In photo above, a CFMS dietary aide is shown inserting entrees into a thermal hood.

saving plan could be taken.

Successive phases of the 10-part plan then came twice a month. It involved the managers in unit analyses, food cost controls, increasing sales and customer satisfaction, cafeteria cost analyses, control of nourishment cost (for health care units only), paper cost reductions, proper use of chemicals and cleaning compounds, reduction of direct cost and finally budget planning for fiscal 1980.

The reductions in costs have varied from unit to unit under the plan, but overall decreases in expenses have fluctuated from two to eight percent, according to Mills.

In some units where cost did not decrease, it was held to the same cost figure of last year. In no units did cost increase. "Considering the 18 percent rise in food costs some units have seen," says Mills, "and the inflation rate that is now double digit, the retained cost has proven to be a great unit savings."

While labor costs were pushed down through staff and work schedule changes, food cost controls and increased sales showed the most dramatic results in reducing costs.

"By suggested careful menu planning, managers were able to trim meal costs significantly, as a wider variety of items were substituted for expensive ones," notes Mills. "Tight surveillance of portion control both in planning and in serving helped cut cost on the front end. Immediate use of leftovers also emerged as a creative and productive cost cutting tool.

"The greatest stimulant to lowered cost, however, was seized in the active promotion of menu specials and special events which helped us build sales in the employee cafeterias to offset some of the fixed costs associated with hospital foodservice."

Indeed, today health care feeders are employing merchandising programs to improve the dining experience for patients as well as hospital employees. "We plan special events for our patient trays," notes Mills, "in order to assist the hospital administrator make the patients' stay a pleasant one."

Aside from the therapeutic value of a hospital's dietary program, the level of foodservice plays a major role in determining what hospital a patient selects for treatment. And the closer a hospital operates to its patient capacity, the more cost efficient it becomes.

To add another dimension to its foodservice capabilities, this March the Albert Einstein Medical Center, Northern Division, in Philadelphia, introduced "A Taste of Philadelphia" as part of its patient and employee feeding program.

The program offers employees the chance to enjoy a gourmet meal in the hospital's cafeteria which has been prepared according to recipes donated by restaurants throughout the city. Patients who are on nonrestricted diets are also able to select the special meal.

Restaurants participating in "A Taste of Philadelphia" include: The Frog, The Fishmarket, The Black Banana, Chestnut Hill Hotel, La Terrasse, Wildflowers, and Le Bec Fin.

Aside from the above, Northern Division provides 11 different selective menus for its 600 patients, including Kosher meals, and a full selection of meals for its 3,000 employees.

Health Care Market: Foodservice Sales

1977 $7,415,486 + 8.1% sales growth

1978 $4,029,797 + 8.3% sales growth

1983 $11,361,141 + 7.2% compound annual growth

	1977 Sales (000,000)	1977 Purchases (000,000)	1977 vs 1976 Growth	1978 Sales (000,000)	1978 Purchases (000,000)	1978 vs 1977 Growth	1983 Sales (000,000)	Compound Annual Growth
Hospital-internal	$5,012	$2,275	7.7%	$5,408	$2,500	7.9%	$ 7,382	6.4%
Hospital/Nursing home-contract	616	246	8.9	672	269	9.1	978	7.80
Other institutions for specialized care including nursing and old age homes, orphanages, etc.)	1,788	1,148	9.1	1,954	1,261	9.3	3,001	9.0
	$7,415	$3,669	8.1	$8,034	$4,030	8.3	$11,361	7.2

12th Annual Restaurant Growth Index

By Robert M. Katz

For a national corporation, an investigation of the data presented this year, could provide a snapshot of the country, market-by-market. This would enable them to spot changes in the marketplace and react accordingly. They would be able to pinpoint areas where another establishment could be opened, or perhaps where one should be closed. A diagnostic report could identify areas where additional spot TV coverage could be put to best use. It might also demonstrate some strong state-to-state relationships, metro areas versus non metro areas, or strong regional preferences.

The Restaurant Activity Index (RAI) is the ratio of an area's percentage of eating place sales to its percentage of food store sales, expressed as an index where 100 is the norm. An index below 100 indicates that eating place sales fall below average activity, while an index of over 100 indicates above average activity.

One might expect a given market's share of U.S. food store sales to equal its share of U.S. eating place sales. Of course, they seldom do. In many parts and regions of this country, the propensity for eating out has taken second to eating at home, as Table I demonstrates.

Table I shows the tremendous variations that can be found throughout the United States. Per capita eating place sales in the United States is $282; $224 in the East South Central States; $234 in the Middle Atlantic States and $245 in the Mountain States. The Pacific and South Atlantic States reveal substantially higher sums at $356 and $304 respectively. Regions with the lowest per capita eating expenditures also have low RAI's: East South Central 80; Middle Atlantic 82 and Mountain 88. Conversely, the Regions with higher per capita eating expenditures have sharply higher RAI's, e.g., Pacific 115 and South Atlantic 109. Not too surprisingly, the West North Central States (Farm Belt) have the lowest per capita food store sales.

The variations in Table I reflect many different phenomena. Certain regions have a much higher concentration of urban areas. The people in those urban areas eat out more often than those in a rural area where they tend to consume more home grown food. Travel time, distance to a restaurant and extended work hours play a role in lowering the RAI. Another factor affecting the RAI is climate, since travelling to eat out in a blizzard is not too common.

The Restaurant Growth Index (RGI) is a very different measure. The RGI relates the share of two different distributions. The numerator reflects the daytime and nighttime population (DNP) of an area—they are the potential food service population. The nighttime population is the resident population of that area. Daytime population supplements nighttime population by including the commuting workforce and transient population. The RGI contrasts the percent of the daytime and nighttime population (DNP) to the

continued on page 160

Mr. Katz is Manager, Statistical Services of Market Statistics, a division of Bill Communications, Inc. Retail Sales data are copyrighted by Sales and Marketing Management *and further reproduction is forbidden.*

Table I
Restaurant Activity Index (RAI)

Region	Population % U.S.	Food Store Sales % U.S.	Eating Place Sales % U.S.	Food Store Sales Per Capita ($)	Eating Place Sales Per Capita ($)	RAI
New England	5.6167	5.9464	5.7214	841	287	96
Middle Atlantic	16.8811	17.0116	13.9966	814	234	82
East North Central	18.9020	18.1896	19.4230	751	281	107
West North Central	7.7948	8.0043	8.3401	685	248	104
South Atlantic	15.9175	15.7131	17.1664	798	304	109
East South Central	6.4128	6.3430	5.1030	798	224	80
West South Central	10.1373	10.6368	10.3641	848	286	97
Mountain	4.7580	4.7021	4.1401	798	245	88
Pacific	15.6779	14.9726	17.2434	856	356	115
United States	100.0000	100.0000	100.0000	806	282	100

Table II
Restaurant Growth Index (RGI-1977)

Metro Area	(1) Resident Population % U.S.	(2) (DNP) Daytime Nighttime Population % U.S.	(3) Eating Place Sales % U.S.	(4) RGI
Las Vegas	.1652	.9540	.1939	492
Los Angeles	3.2355	3.7586	4.7398	79
Miami	.6759	1.1233	1.0986	102
New York	4.3621	5.8915	4.2456	139
Santa Barbara	.1333	.1539	.2204	70

percent of eating place sales. Areas that have high concentration of DNP usually have a high index.

Table II illustrates the RGI for several markets in the United States. Las Vegas is unique as a natural consequence of the extraordinarily large tourist volume (and the large casino volume). Resident population accounts for only .1652 percent of total U.S. population, but for DNP the percent catapults to .9540 percent. These are the factors that explain an RGI of 492.

New York is a market with substantial transient population. The RGI numerator is 5.8915 compared to a population of 4.3621 percent. This indicates 39 percent more DNP than the norm. This is the result of tourism and high levels of commuter employment.

A different perspective is offered by Santa Barbara, whose population is .1333, while the percent of Eating Place Sales is .2204. The lifestyle and climate of Santa Barbara encourages much greater sales of eating places. Santa Barbara's RGI of 70 is the result of a larger sales volume in eating places than the DNP would indicate.

Miami provides another variation. Its population constitutes .6759 of the United States, yet both eating place sales (1.0986) and DNP (1.1233) are considerably higher. That is the result of Miami's climate and tourism as well as their greater concentrations of DNP and eating place sales. The RGI for Miami of 102 is about the norm.

The RGI is a sensitive index, sensitive to opportunity and change. Historically, certain areas of the United States have developed as centers for various activities. Hotel and motel receipts are concentrated in selected areas. In addition, a central city of a metropolitan area may be the center of employment for the surrounding county or counties.

The 1970's have seen an explosion of sales in the foodservice industry. One of the reasons for that explosion is a change in lifestyle, which most assuredly will continue to evolve throughout the eighties. For example, the frequency of a family eating out has risen throughout the 1970's. However, at the present time, long lines at gas stations and weekend closings, driving to and from a restaurant must, for the moment, be a planned activity with regard for distance, tank capacity, time of day, day of week, and license plate number (even or odd). This situation, should it continue unabated into the eighties, would have a severe impact on life styles. Those life style changes would severely affect the foodservice industry.

Another phenomenon of the 70's is the full-blown emergence of the working woman. There has been an explosion in the number of households with two wage earners, bringing its own changes in life style. Leisure time has become more precious, and with the extra income, dining out has also become more automatic. This, no doubt, will be the pattern for the future, especially if inflation continues to force more and more women into the labor market. This can offset some of the problems created by the current and anticipated energy crisis.

Another noticeable change in life style is the tendency toward smaller size households. For many families, eating out is considered a regular habit rather than a luxury, such as eating out *every* Tuesday, Saturday and Sunday. The probability of a family of three eating out is greater than for a family of six. The fact that the number of smaller size households should continue to grow in the next decade is good news for the foodservice industry.

These changing times not only create new problems, but will ultimately bring new opportunities. Marketers, especially in this highly competitive industry, must use all available resources to optimize their sales and profits. It is within that context that the full value and usefulness of diagnostic data can be appreciated.

In general terms, the prospects for the growth of the restaurant industry are favorable. One can expect some of the current difficulties to ease over the next few years. A more orderly and stable supply of gasoline, for example, should come about. Women will continue to take jobs in large numbers, whether as an incentive to augment family income at a time of inflation or the desire to work at a job. Smaller households

continued on page 165

with two wage earners will find it practical and pleasurable to dine out more frequently.

By themselves, these trends cannot be relied upon to fulfill expectations of increased restaurant profits. They must be supported and expanded upon by such highly relevant data as transient population and other demographic factors, plus data on the overall economic and employment conditions in a given area. The proper data and their correct application to particular circumstances, can help to optimize sales and profits in the restaurant industry.

Definitions

Eating and Drinking Places: (1978 sales)

Includes establishments selling prepared food and drinks for consumption on or near the premises or for takeout, as well as lunch counters and refreshment stands selling prepared foods and drinks for immediate consumption. Also included are caterers and inplant food contractors, as well as leased eating and/or drinking concessions in theaters, hotels, amusement parks, etc. Restaurants and lunch counters operated by department stores are classified in General Merchandise Group; those operated by hotels are classified in the Hotels Group.

Eating Places: (1978 sales)

Includes retail sales of restaurants and lunch rooms, social caterers, cafeterias, fast food sales, contract feeding and ice cream and frozen custard stands. Excludes drinking place sales.

Restaurants: (1978 sales)

Establishments engaged in serving prepared food and beverages selected by the patron from a full menu. Waiter or waitress service is provided and the establishment has seating facilities for at least 15 patrons. These establishments often serve alcoholic beverages. Establishments in which sales of alcoholic beverages for consumption on the premises exceed receipts from sales of prepared food and nonalcoholic beverages are classified as "Drinking places."

Fast Food: (1978 sales)

Establishments primarily selling limited lines of refreshments and prepared food items. Included in this group are establishments which prepare refreshment items such as pizza, barbecued chicken, and hamburgers for consumption either on or near the premises or for "take-home" consumption.

Food Stores:

Establishments selling food primarily for home consumption. The definition embraces grocery stores, meat markets, fish markets, fruit and vegetable markets. Also included are candy, nut, and confectionery stores, dairy product stores, retail bakeries and egg and poultry dealers. Although food store sales include revenue from sales of nongrocery items, they still are most useful in determining how much people spend for food products.

Market Share:

Represents the percent of eating place sales from fast food units or from restaurants. It is indicative of customer preference for these types of establishments in that area.

Restaurant Activity Index (RAI):

The percent of U.S. eating place sales divided by the percent of U.S. food store sales, expressed as an index. An index greater than 100 indicates more than average propensity to eat out rather than at home.

Restaurant Growth Index (RGI):

The weighted percent of U.S. population (resident) employment and transient volume (hotel and motel receipts) divided by the percent U.S. eating place sales expressed as an index.

Standard Metropolitan Statistical Area (SMSA):

Revised criteria by the U.S. Office of Federal Statistical Policy and Standards provide that an SMSA must include either (1) one city with a population of at least 50,000; or (2) one city with a population of at least 25,000, which, when combined with contiguous places having a density of 1,000 or more people per square mile, will have a population of at least 50,000 (provided that the city and contiguous places are in a county or counties with a population of at least 75,000).

A contiguous county is included in an SMSA if at least 75 percent of the resident labor force is nonagricultural, and at least 30 percent of the resident employed workers work in the area. A contiguous county that does not satisfy those requirements will be included if at least 75 percent of the resident labor force is nonagricultural and if it meets at least two criteria of metropolitan character and one criterion of metropolitan integration. Minimum criteria of character: (1) 25 percent of population is urban; (2) population gain of 15 percent between two most recent decennial censuses; and (3) density of 50 persons per square mile. Minimum criteria of integration: (1) 15 per cent of resident employed workers work in the area; (2) 15 percent of the county's employed workers live in the area; and (3) sum of workers commuting to and from the central county or counties is equal to 20 percent of the employed workers living in the county.

SMSAs are defined by the government along county lines except in New England, where towns and cities are the units of definition. The federal government's alternative, but unofficial, New England County Metropolitan Areas, comprised of whole counties rather than cities and towns, are used for those states.

Potential Metropolitan Area:

An area not officially designated as a Standard Metropolitan Statistical Area by the U.S. Office of Federal Statistical Policy and Standards, but that Market Statistics, Inc., the research division of Bill Communications that prepares these statistics, estimates comes closest to satisfying the qualifying criteria. Places are considered to meet the requirement of contiguity if

continued on page 166

they are less than one mile apart, or, where the gap separates populations totalling 50,000 or more, if they are less than two miles apart. No potential metropolitan area falls more than 12 percent short of satisfying all quantitative requirements, and most importantly, each area has a city or group of contiguous or nearly contiguous places with a combined population of at least 44,000.

As the name "potential metropolitan area" implies, *Sales & Marketing Management* so designates those areas because it considers them prime candidates to achieve standard metropolitan area status in the near future. From the marketing point of view, some are even more important than the smaller SMSAs, but have been deprived of official recognition because they do not meet all the requirements of the government. Of the 300 metropolitan areas, 33 are *Sales & Marketing Management* potential metropolitan areas. In the past, 80 percent of the potential areas have eventually received official status.

Television Market:

The TV markets are the American Research Bureau's Areas of Dominant Influence (ADIs). ARB studies each county for its measurable viewing patterns. The hours of viewing accorded each TV station whose signal reaches the county are totalled; then each station's percentage share of total viewing hours is calculated. The market of origin of the TV stations with the largest share of viewing hours becomes the ADI name for that market, and all counties whose largest viewing share is given to stations of that same market of origin are grouped within the ADI. (For its purposes, ARB splits certain counties, treating each portion as if it were a separate county.) Each county, (or portion) is allocated exclusively to a single ADI; thus overlap is eliminated. All of the area of the United States is covered except for Hawaii and part of Alaska.

Sales by Metropolitan Area

This segment of the RGI report shows 300 metropolitan areas which include 33 *Sales & Marketing Management* potential metropolitan areas. The remainder are Standard Metropolitan Statistical Areas.

	1978							
	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food		Restaurant			
STATE Metro Name			Sales ($000)	Market Share	Sales ($000)	Market Share	RAI	RGI
ALABAMA								
Anniston	14,735	13,997	6,014	43	6,566	47	60	150
Birmingham	282,876	268,856	117,056	44	105,419	39	110	84
Florence	28,912	28,510	13,081	46	11,150	39	86	90
Gadsden	30,192	29,346	13,483	46	11,068	38	85	66
Huntsville	89,333	85,589	35,275	41	34,489	40	112	82
Mobile	136,336	122,917	50,822	41	54,549	44	99	84
Montgomery	73,460	70,476	28,377	40	32,248	46	104	95
Tuscaloosa	32,851	32,377	15,892	49	11,070	34	100	81
Non-Metro Portion of State	195,287	186,624	80,190	43	87,557	47	57	133
State Total	**890,972**	**845,327**	**364,069**	**43**	**356,303**	**42**	**86**	**96**
ALASKA								
Anchorage	91,382	64,561	20,759	32	31,161	48	78	122
Non-Metro Portion of State	104,268	64,068	14,146	22	44,135	69	79	133
State Total	**195,650**	**128,629**	**34,905**	**27**	**75,296**	**59**	**79**	**127**
ARIZONA								
Phoenix	380,809	333,987	100,192	30	194,870	58	79	122
Tucson	127,056	110,318	40,399	37	60,242	55	81	115
Non-Metro Portion of State	136,633	114,872	24,606	21	81,922	71	62	124
State Total	**644,498**	**559,177**	**165,197**	**30**	**337,034**	**60**	**75**	**121**

continued on page 168

Metro Areas

	1978							
STATE Metro Name	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food		Restaurant		RAI	RGI
			Sales ($000)	Market Share	Sales ($000)	Market Share		
ARKANSAS								
Fayetteville - Springdale	32,569	31,532	15,094	48	14,081	45	72	117
Fort Smith	55,053	50,908	22,497	44	21,564	42	109	82
Little Rock - North Little Rock	101,727	97,822	40,587	41	44,567	46	95	123
Pine Bluff	21,849	20,888	9,993	48	9,039	43	81	86
Texarkana	32,274	29,876	10,519	35	14,280	48	79	93
Non-Metro Portion of State	219,375	207,912	75,900	37	108,265	52	63	126
State Total	**449,573**	**426,569**	**169,811**	**40**	**206,713**	**48**	**75**	**115**
CALIFORNIA								
Anaheim - Santa Ana - Garden Grove	926,529	875,545	253,095	29	587,831	67	156	66
Bakersfield	156,145	139,760	43,335	31	87,004	62	124	61
Fresno	176,206	151,341	56,927	38	84,521	56	113	78
Los Angeles - Long Beach	3,141,077	2,845,780	850,026	30	1,771,715	62	128	83
Modesto	71,724	60,308	21,295	35	35,609	59	68	93
Oxnard - Simi Valley - Ventura	149,455	136,933	51,956	38	77,326	56	96	82
Riverside - San Bernardino - Ontario	468,261	416,574	128,572	31	260,036	62	108	84
Sacramento	293,287	250,915	89,923	36	138,479	55	77	100
Salinas - Seaside - Monterey	126,019	114,159	28,646	25	80,168	70	139	77
San Diego	685,925	604,873	188,202	31	385,151	64	121	84
San Francisco - Oakland	1,458,882	1,272,325	331,041	26	797,683	63	131	97
San Jose	443,752	395,853	132,328	33	226,553	57	88	98
Santa Barbara - Santa Maria - Lompoc	142,189	130,887	32,536	25	89,505	68	155	73
Santa Cruz	77,304	71,632	19,923	28	45,714	64	133	61
Santa Rosa	78,595	64,629	16,443	25	44,121	68	72	109
Stockton	125,439	106,153	38,219	36	62,284	59	123	68
Vallejo - Fairfield - Napa	121,378	104,450	30,080	29	60,604	58	121	66
Non-Metro Portion of State	538,318	456,508	130,870	29	300,737	66	91	90
State Total	**9,180,485**	**8,198,625**	**2,443,417**	**30**	**5,135,041**	**63**	**119**	**84**
COLORADO								
Colorado Springs	99,097	86,755	26,552	31	50,419	56	133	100
Denver - Boulder	511,511	445,546	122,866	28	265,278	60	113	109
Fort Collins	49,778	46,928	12,479	27	31,325	67	128	68
Greeley	26,188	22,907	6,094	27	15,288	67	92	105
Pueblo	29,151	22,473	9,187	41	12,787	57	63	140
Non-Metro Portion of State	162,453	143,120	38,042	27	95,570	67	100	93
State Total	**878,178**	**767,729**	**215,220**	**28**	**470,667**	**61**	**110**	**103**
CONNECTICUT								
Bridgeport - Stamford - Norwalk - Danbury	254,409	230,715	60,903	26	145,496	63	93	105
Hartford - New Britain - Bristol	318,843	288,802	84,420	29	158,773	55	90	119
New Haven - West Haven - Waterbury - Meriden	230,902	210,004	65,861	31	121,556	58	106	104
New London - Norwich	70,455	58,273	21,505	37	34,137	59	91	101
Non-Metro Portion of State	47,076	41,388	12,027	29	25,129	61	60	135
State Total	**921,685**	**829,182**	**244,716**	**30**	**485,091**	**59**	**92**	**111**
DELAWARE								
Wilmington	180,458	155,099	67,395	43	71,914	46	99	94
Non-Metro Portion of State	77,809	71,531	21,724	30	40,433	57	123	58
State Total	**220,279**	**200,185**	**78,094**	**39**	**99,328**	**50**	**105**	**81**
DISTRICT OF COLUMBIA								
Washington	1,300,580	1,247,176	393,418	32	633,011	51	149	93
State Total	**417,369**	**395,165**	**83,702**	**21**	**208,220**	**53**	**257**	**104**

continued on page 174

Circle No. 83 ➤

Metro Areas

	1978							
STATE Metro Name	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food		Restaurant		RAI	RGI
			Sales ($000)	Market Share	Sales ($000)	Market Share		
FLORIDA								
Bradenton	59,292	51,477	16,379	32	31,829	62	99	58
Daytona Beach	154,393	143,763	43,476	30	91,653	64	164	69
Fort Lauderdale - Hollywood	541,161	495,153	143,619	29	328,324	66	153	68
Fort Myers - Cape Coral	76,797	71,157	18,037	25	49,691	70	115	86
Gainesville	52,991	51,719	22,093	43	23,389	45	103	59
Jacksonville	264,674	248,027	86,274	35	132,906	54	144	90
Lakeland - Winter Haven	93,879	88,286	27,629	31	52,715	60	85	86
Melbourne - Titusville - Cocoa	97,588	88,250	30,251	34	47,976	54	115	84
Miami	772,290	725,433	205,061	28	420,162	58	160	90
Orlando	334,293	311,108	119,022	38	157,737	51	160	100
Panama City	54,249	50,016	15,914	32	30,927	62	179	66
Pensacola	104,869	90,812	40,452	45	40,312	44	101	69
Sarasota	62,503	58,629	14,531	25	37,794	64	92	113
Tallahassee	69,590	67,898	31,535	46	29,805	44	128	56
Tampa - St. Petersburg	633,796	575,818	194,071	34	304,881	53	129	75
West Palm Beach - Boca Raton	206,532	182,853	51,294	28	110,230	60	101	93
Non-Metro Portion of State	407,115	370,073	117,724	32	228,809	62	90	81
State Total	**3,986,012**	**3,670,472**	**1,177,362**	**32**	**2,119,140**	**58**	**129**	**82**
GEORGIA								
Albany	43,384	40,920	18,665	46	18,301	45	120	62
Athens	34,415	32,650	15,034	46	15,389	47	138	67
Atlanta	871,500	836,632	321,945	38	378,116	45	201	76
Augusta	67,033	61,744	28,455	46	27,734	45	79	102
Columbus	56,153	52,879	30,974	59	17,418	33	94	97
Macon	66,311	62,940	29,056	46	26,062	41	105	98
Savannah	78,663	72,317	21,503	30	37,009	51	117	76
Non-Metro Portion of State	384,595	366,258	168,379	46	172,620	47	69	107
State Total	**1,590,853**	**1,516,147**	**628,199**	**41**	**689,572**	**45**	**121**	**86**
HAWAII								
Honolulu	396,511	360,986	96,914	27	216,237	60	195	91
Non-Metro Portion of State	89,838	84,849	18,816	22	59,518	70	140	157
State Total	**486,349**	**445,835**	**115,730**	**26**	**275,755**	**62**	**182**	**104**
IDAHO								
Boise	63,612	55,296	18,485	33	26,516	48	133	77
Pocatello	18,698	16,182	5,464	34	9,988	62	118	99
Non-Metro Portion of State	172,504	132,284	44,566	34	81,658	62	77	121
State Total	**254,814**	**203,762**	**68,515**	**34**	**118,162**	**58**	**90**	**108**
ILLINOIS								
Bloomington - Normal	54,595	49,659	12,696	26	31,383	63	165	85
Champaign - Urbana - Rantoul	69,715	59,332	21,341	36	32,906	55	191	79
Chicago	2,862,781	2,479,231	712,222	29	1,424,588	57	132	94
Danville	33,485	26,832	9,460	35	14,910	56	92	96
Davenport - Rock Island - Moline	151,286	117,028	37,684	32	68,967	59	119	92
Decatur	57,420	44,003	14,098	32	22,508	51	142	85
Kankakee	35,251	29,555	10,419	35	16,423	56	121	83
Peoria	125,029	98,587	34,129	35	52,448	53	106	111
Quincy	27,755	19,230	6,778	35	10,685	56	111	105
Rockford	116,259	96,295	31,538	33	57,316	60	122	79
Springfield	98,190	78,743	29,925	38	38,944	49	151	99
Non-Metro Portion of State	561,778	428,641	151,100	35	238,206	56	86	105
State Total	**4,266,409**	**3,571,621**	**1,087,243**	**30**	**2,031,331**	**57**	**121**	**96**

continued on page 176

Metro Areas

STATE Metro Name	1978 Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food Sales ($000)	Fast Food Market Share	Restaurant Sales ($000)	Restaurant Market Share	RAI	RGI
INDIANA								
Anderson	38,734	31,711	11,249	35	13,642	43	89	109
Bloomington	41,255	36,708	13,889	38	18,697	51	132	59
Elkhart	53,656	45,366	17,164	38	23,113	51	143	79
Evansville	99,618	80,561	30,119	37	42,178	52	101	97
Fort Wayne	162,668	137,261	47,553	35	67,399	49	162	77
Gary - Hammond - East Chicago	229,138	188,703	75,918	40	100,193	53	86	84
Indianapolis	460,957	403,441	113,604	28	171,787	43	130	85
Kokomo	52,020	43,880	16,605	38	22,352	51	170	62
Lafayette - West Lafayette	47,188	42,345	20,326	48	17,966	42	159	70
Marion	25,923	20,642	7,812	38	10,516	51	118	96
Michigan City - La Porte	36,178	26,858	10,162	38	13,684	51	88	94
Muncie	33,294	28,648	16,285	57	10,124	35	102	106
South Bend	99,802	84,217	30,243	36	47,609	57	118	93
Terre Haute	70,862	56,458	14,287	25	28,046	50	116	74
Non-Metro Portion of State	335,984	274,188	103,737	38	139,660	51	83	106
State Total	**1,818,087**	**1,527,565**	**540,515**	**35**	**737,416**	**48**	**108**	**88**
IOWA								
Cedar Rapids	64,966	48,932	17,876	37	23,186	47	122	99
Davenport - Rock Island - Moline	151,286	117,028	37,684	32	68,967	59	119	92
Des Moines	128,181	109,605	38,538	35	56,208	51	128	119
Dubuque	38,488	29,515	12,207	41	12,262	42	129	90
Iowa City	32,490	25,969	8,603	33	15,710	60	144	78
Sioux City	48,979	37,621	10,568	28	22,361	59	136	102
Waterloo - Cedar Falls	60,678	45,813	18,083	39	21,853	48	138	83
Non-Metro Portion of State	443,476	343,474	113,768	33	207,762	60	87	116
State Total	**899,018**	**704,208**	**240,089**	**34**	**396,507**	**56**	**103**	**109**
KANSAS								
Lawrence	16,069	14,574	5,103	35	8,314	57	87	97
Topeka	66,771	62,361	21,629	35	35,066	56	134	89
Wichita	163,856	151,403	62,007	41	78,797	52	151	83
Non-Metro Portion of State	304,790	274,267	96,001	35	156,562	57	96	109
State Total	**681,399**	**623,099**	**231,338**	**37**	**338,349**	**54**	**112**	**99**
KENTUCKY								
Clarksville - Hopkinsville	34,758	33,163	12,560	38	17,338	52	86	80
Huntington - Ashland	76,878	69,570	32,089	46	25,533	37	74	100
Lexington-Fayette	111,409	105,949	44,511	42	50,850	48	129	83
Louisville	287,043	248,693	99,610	40	110,177	44	105	107
Owensboro	22,505	19,891	6,146	31	12,151	61	79	102
Non-Metro Portion of State	329,486	313,237	122,598	39	167,594	54	58	111
State Total	**849,621**	**772,902**	**309,548**	**40**	**378,949**	**49**	**80**	**102**
LOUISIANA								
Alexandria	20,476	18,761	8,566	46	7,890	42	52	157
Baton Rouge	95,155	83,296	36,117	43	37,905	46	65	138
Lafayette	81,089	75,496	16,306	22	50,538	67	199	49
Lake Charles	38,314	32,243	13,832	43	13,650	42	85	120
Monroe	37,742	34,658	12,231	35	18,471	53	78	94
New Orleans	430,206	364,212	115,030	32	191,484	53	105	107
Shreveport	78,237	71,784	23,086	32	39,161	55	73	122
Non-Metro Portion of State	281,638	224,847	120,341	54	86,066	38	59	105
State Total	**1,062,857**	**905,297**	**345,509**	**38**	**445,165**	**49**	**81**	**107**

continued on page 178

Metro Areas

STATE Metro Name	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food Sales ($000)	Fast Food Market Share	Restaurant Sales ($000)	Restaurant Market Share	RAI	RGI
	1978							
MAINE								
Bangor	45,541	44,334	12,828	29	27,308	62	110	75
Lewiston - Auburn	19,625	19,028	4,726	25	12,814	67	64	117
Portland	80,315	78,908	24,240	31	47,241	60	101	89
Non-Metro Portion of State	154,702	147,703	42,733	29	90,979	62	74	97
State Total	**300,183**	**289,973**	**84,527**	**29**	**178,342**	**62**	**84**	**93**
MARYLAND								
Baltimore	717,802	568,513	208,608	37	268,435	47	101	101
Hagerstown	25,040	19,536	6,170	32	12,148	62	55	138
Non-Metro Portion of State	197,706	173,965	54,941	32	108,170	62	100	74
State Total	**1,433,093**	**1,221,011**	**448,533**	**37**	**622,395**	**51**	**104**	**94**
MASSACHUSETTS								
Boston - Lowell - Brockton - Lawrence - Haverhill	1,396,653	1,245,527	334,017	27	739,899	59	108	101
New Bedford - Fall River	132,984	114,294	42,095	37	62,235	54	94	92
Pittsfield	55,627	48,928	15,855	32	26,452	54	107	90
Springfield - Chicopee - Holyoke	179,359	150,327	58,224	39	71,030	47	112	105
Worcester - Fitchburg - Leominster	210,273	185,311	58,332	31	98,360	53	99	87
Non-Metro Portion of State	159,266	144,930	36,518	25	96,675	67	171	50
State Total	**2,089,940**	**1,846,811**	**534,719**	**29**	**1,073,507**	**58**	**111**	**95**
MICHIGAN								
Ann Arbor	110,400	97,640	36,430	37	51,006	52	101	73
Battle Creek	63,500	52,089	18,123	35	28,467	55	110	90
Bay City	40,910	29,560	12,720	43	14,094	48	81	92
Benton Harbor - St. Joseph	77,353	60,077	16,869	28	39,554	66	101	86
Detroit	1,589,038	1,298,910	448,326	35	653,626	50	104	98
Flint	158,320	126,939	49,008	39	64,082	50	79	101
Grand Rapids	198,505	167,841	53,312	32	84,001	50	88	90
Jackson	55,546	44,397	16,159	36	24,582	55	110	76
Kalamazoo - Portage	97,047	78,888	25,903	33	43,063	55	110	85
Lansing - East Lansing	174,297	146,825	43,313	29	78,888	54	139	80
Muskegon - Norton Shores - Muskegon Heights	45,634	36,987	14,375	39	20,439	55	71	96
Saginaw	91,961	72,138	21,112	29	45,831	64	97	83
Non-Metro Portion of State	490,629	343,036	96,326	28	225,840	66	75	94
State Total	**3,234,175**	**2,586,919**	**862,225**	**33**	**1,389,985**	**54**	**97**	**93**
MINNESOTA								
Duluth - Superior	90,715	59,316	17,860	30	36,370	61	90	125
Fargo - Moorhead	42,432	30,860	13,033	42	15,001	49	93	137
Minneapolis - St. Paul	755,594	602,896	178,335	30	358,300	59	115	112
Rochester	33,554	29,635	9,083	31	19,000	64	166	156
St. Cloud	47,254	34,929	13,761	39	18,193	52	91	90
Non-Metro Portion of State	347,888	270,410	79,019	29	173,938	64	88	115
State Total	**1,251,372**	**989,285**	**296,961**	**30**	**600,148**	**61**	**103**	**115**
MISSISSIPPI								
Biloxi - Gulfport	65,492	56,310	23,244	41	30,551	54	120	81
Hattiesburg	27,728	27,033	11,056	41	12,458	46	81	72
Jackson	104,555	103,924	39,306	38	38,327	37	120	92
Meridian	26,372	24,966	10,209	41	11,501	46	128	88
Pascagoula - Moss Point	19,868	17,961	7,346	41	8,272	46	45	135
Non-Metro Portion of State	237,909	226,064	92,471	41	104,263	46	52	123
State Total	**486,976**	**461,149**	**185,519**	**40**	**207,689**	**45**	**69**	**107**

continued on page 180

	1978							
			Fast Food		Restaurant			
STATE Metro Name	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Sales ($000)	Market Share	Sales ($000)	Market Share	RAI	RGI
MISSOURI								
Columbia	34,489	32,861	12,835	39	17,262	53	157	85
Joplin	42,252	39,092	13,213	34	23,125	59	137	70
Kansas City	482,170	434,031	157,774	36	223,447	51	114	103
St. Joseph	32,643	25,665	10,174	40	13,122	51	88	108
St. Louis	686,648	579,039	172,813	30	291,844	50	91	122
Springfield	79,895	75,531	28,233	37	36,183	48	157	74
Non-Metro Portion of State	331,031	287,379	97,091	34	170,030	59	77	118
State Total	**1,419,932**	**1,258,827**	**413,005**	**33**	**662,833**	**53**	**100**	**110**
MONTANA								
Billings	29,484	22,216	6,275	28	13,805	62	81	134
Great Falls	25,682	8,373	2,714	32	4,649	56	33	278
Missoula	21,753	16,153	4,384	27	11,260	70	71	126
Non-Metro Portion of State	151,340	94,830	25,730	27	66,183	70	59	140
State Total	**228,259**	**141,572**	**39,103**	**28**	**95,897**	**68**	**60**	**145**
NEBRASKA								
Lincoln	69,043	57,036	21,049	37	31,526	55	161	107
Omaha	226,219	175,678	53,841	31	100,081	57	132	110
Non-Metro Portion of State	258,849	181,693	46,958	26	122,487	67	91	112
State Total	**538,769**	**402,920**	**118,079**	**29**	**247,452**	**61**	**114**	**109**
NEVADA								
Las Vegas	155,661	117,778	48,913	42	59,338	50	98	500
Reno	57,366	47,244	13,119	28	30,159	64	78	193
Non-Metro Portion of State	45,151	35,065	10,105	29	24,475	70	80	271
State Total	**258,178**	**200,087**	**72,137**	**36**	**113,972**	**57**	**89**	**388**
NEW' HAMPSHIRE								
Manchester - Nashua	73,381	69,522	26,987	39	35,938	52	78	100
Non-Matro Portion of State	112,856	108,793	26,412	24	54,117	50	72	122
State Total	**230,459**	**220,821**	**63,721**	**29**	**111,199**	**50**	**71**	**112**
NEW JERSEY								
Atlantic City	84,219	67,673	14,578	22	50,322	74	119	249
Jersey City	179,144	118,649	25,302	21	75,529	64	73	120
Long Branch - Asbury Park	187,464	148,853	40,636	27	97,810	66	85	87
Newark	612,924	480,136	118,411	25	266,132	55	76	126
New Brunswick - Perth Amboy - Sayreville	186,847	141,072	41,265	29	84,420	60	64	105
Paterson - Clifton - Passaic	122,376	93,448	18,120	19	58,894	63	59	134
Trenton	81,158	62,096	15,847	26	36,807	59	67	171
Vineland - Millville - Bridgeton	32,107	24,297	13,826	57	9,135	38	57	130
Non-Metro Portion of State	236,762	192,197	50,409	26	132,499	69	102	84
State Total	**2,312,893**	**1,815,213**	**462,400**	**25**	**1,117,676**	**62**	**79**	**120**
NEW MEXICO								
Albuquerque	117,767	105,090	37,952	36	53,443	51	107	119
Las Cruces	15,025	11,888	3,941	33	7,001	59	66	144
Santa Fe	16,882	14,944	4,954	33	8,800	59	65	149
Non-Metro Portion of State	143,446	117,529	38,952	33	69,246	59	62	128
State Total	**293,120**	**249,451**	**85,799**	**34**	**138,490**	**56**	**76**	**126**

continued on page 182

1978

STATE Metro Name	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food Sales ($000)	Fast Food Market Share	Restaurant Sales ($000)	Restaurant Market Share	RAI	RGI
NEW YORK								
Albany - Schenectady - Troy	214,095	179,347	53,293	30	110,329	62	77	126
Binghamton	70,988	54,984	15,796	29	34,629	63	62	126
Buffalo	379,851	297,766	91,337	31	170,074	57	89	114
Elmira	31,853	26,315	9,494	36	15,486	59	84	91
Jamestown	43,294	33,510	9,303	28	20,582	61	66	95
Nassau - Suffolk	754,043	683,942	171,818	25	399,016	58	75	106
Newburgh - Middletown	68,875	56,528	15,695	28	34,724	61	58	105
New York	2,871,068	2,513,660	496,150	20	1,584,126	63	101	136
Poughkeepsie	56,071	47,218	11,501	24	30,136	64	66	118
Rochester	246,405	206,810	61,931	30	114,901	56	73	132
Syracuse	169,668	140,912	42,487	30	75,305	53	81	124
Utica - Rome	85,344	71,923	24,551	34	42,965	60	91	104
Non-Metro Portion of State	402,562	320,879	89,085	28	197,096	61	67	135
State Total	**5,107,552**	**4,381,664**	**1,046,184**	**24**	**2,656,496**	**61**	**87**	**129**
NORTH CAROLINA								
Asheville	44,235	43,202	15,393	36	22,437	52	85	101
Burlington	28,142	27,424	12,015	44	11,541	42	80	82
Charlotte - Gastonia	185,193	179,748	64,816	36	81,357	45	96	103
Fayetteville	55,712	52,653	26,464	50	23,313	44	137	84
Greensboro - Winston-Salem - High Point	219,670	213,594	81,459	38	82,573	39	107	102
Kannapolis - Concord - Salisbury	34,295	32,613	14,040	43	16,127	49	70	106
Raleigh - Durham	125,985	123,172	40,211	33	60,307	49	91	128
Wilmington	41,168	39,915	14,144	35	24,294	61	102	90
Non-Metro Portion of State	534,182	516,031	222,043	43	255,225	49	71	106
State Total	**1,269,471**	**1,229,203**	**490,936**	**40**	**577,579**	**47**	**84**	**105**
NORTH DAKOTA								
Bismarck	22,099	14,280	3,967	28	9,560	67	84	170
Fargo - Moorhead	42,432	30,860	13,033	42	15,001	49	93	137
Grand Forks	34,474	25,154	7,104	28	16,637	66	115	103
Non-Metro Portion of State	109,755	70,934	19,697	28	47,583	67	90	132
State Total	**186,477**	**123,610**	**37,381**	**30**	**78,985**	**64**	**97**	**133**
OHIO								
Akron	216,312	183,199	60,299	33	102,821	56	103	90
Canton	174,912	142,462	52,991	37	71,066	50	117	69
Cincinnati	512,449	445,233	190,377	43	188,970	42	113	90
Cleveland	682,453	563,741	169,834	30	304,671	54	100	107
Columbus	439,292	385,325	129,445	34	192,555	50	135	87
Dayton	289,907	247,859	123,572	50	97,661	39	118	90
Hamilton - Middletown	68,539	54,741	32,237	59	20,853	38	72	106
Lima	72,255	59,592	20,970	35	32,966	55	113	82
Lorain - Elyria	66,366	50,893	21,897	43	24,005	47	74	123
Mansfield	44,028	36,340	12,232	34	19,656	54	88	90
Newark	28,982	22,849	7,793	34	12,282	54	77	113
Parkersburg - Marietta	42,600	36,149	10,945	30	14,480	40	76	103
Springfield	54,058	45,357	19,209	42	19,541	43	122	94
Steubenville - Weirton	47,277	35,766	13,272	37	14,455	40	74	109
Toledo	312,385	255,985	85,615	33	129,460	51	118	84
Youngstown - Warren	168,892	135,452	50,984	38	70,555	52	108	98
Non-Metro Portion of State	610,130	491,066	167,474	34	263,935	54	82	85
State Total	**3,664,436**	**3,052,194**	**1,115,630**	**37**	**1,519,108**	**50**	**102**	**93**
OKLAHOMA								
Enid	30,834	29,737	11,437	38	15,957	54	179	56
Lawton	26,277	23,408	11,398	49	9,019	39	129	91

continued on page 184

Metro Areas

	1978							
	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food		Restaurant			
STATE Metro Name			Sales ($000)	Market Share	Sales ($000)	Market Share	RAI	RGI
OKLAHOMA cont.								
Oklahoma City	299,230	285,060	101,014	35	125,196	44	121	84
Tulsa	228,822	217,120	85,467	39	83,038	38	119	84
Non-Metro Portion of State	245,429	231,326	88,972	38	124,129	54	75	106
State Total	**840,275**	**795,179**	**302,058**	**38**	**360,951**	**45**	**102**	**90**
OREGON								
Eugene - Springfield	68,538	59,425	20,357	34	30,155	51	87	107
Portland	386,535	331,009	103,681	31	193,899	59	81	111
Salem	40,677	32,729	11,019	34	17,456	53	50	163
Non-Metro Portion of State	297,180	243,645	70,752	29	159,985	66	93	100
State Total	**742,183**	**621,798**	**191,331**	**31**	**375,352**	**60**	**83**	**110**
PENNSYLVANIA								
Allentown - Bethlehem - Easton	180,934	148,070	47,853	32	79,431	54	80	112
Altoona	34,567	25,532	7,503	29	15,468	61	68	130
Erie	70,961	52,128	17,031	33	28,547	55	75	142
Harrisburg	125,681	99,582	34,364	35	54,520	55	84	140
Johnstown	62,664	43,118	13,977	32	26,016	60	64	146
Lancaster	111,769	97,269	31,752	33	58,215	60	110	111
Northeast Pennsylvania	181,826	138,296	42,835	31	79,130	57	82	133
Philadelphia	1,379,429	1,098,698	310,569	28	621,895	57	80	133
Pittsburgh	601,466	439,834	151,538	34	243,293	55	77	149
Reading	82,357	69,008	21,907	32	41,980	61	75	124
Williamsport	27,184	19,664	8,633	44	8,232	42	64	145
York	86,809	70,296	22,963	33	40,947	58	83	127
Non-Metro Portion of State	525,580	405,542	125,012	31	231,923	57	67	124
State Total	**3,180,681**	**2,481,933**	**762,173**	**31**	**1,401,044**	**56**	**77**	**134**
RHODE ISLAND								
Providence - Warwick - Pawtucket	250,739	220,020	69,800	32	127,078	58	101	103
Non-Metro Portion of State	26,450	21,757	6,579	30	15,024	69	133	92
State Total	**277,189**	**241,777**	**76,379**	**32**	**142,102**	**59**	**104**	**102**
SOUTH CAROLINA								
Anderson	34,374	32,332	13,280	41	16,658	52	103	78
Charleston - North Charleston	82,472	78,002	28,686	37	34,471	44	64	108
Columbia	89,350	88,745	44,784	50	32,710	37	97	110
Greenville - Spartanburg	175,057	168,868	71,833	43	75,116	44	111	75
Non-Metro Portion of State	275,100	263,768	108,338	41	135,908	52	71	109
State Total	**670,142**	**644,810**	**272,932**	**42**	**300,747**	**47**	**82**	**100**
SOUTH DAKOTA								
Rapid City	32,401	27,129	8,251	30	16,849	62	101	107
Sioux Falls	38,491	32,229	10,435	32	18,863	59	126	105
Non-Metro Portion of State	112,501	81,424	24,754	30	50,719	62	84	132
State Total	**183,393**	**140,782**	**43,440**	**31**	**86,431**	**61**	**94**	**121**
TENNESSEE								
Chattanooga	111,000	108,644	40,998	38	54,223	50	79	103
Clarksville - Hopkinsville	34,758	33,163	12,560	38	17,338	52	86	80
Jackson	24,213	22,988	8,543	37	11,866	52	106	82
Johnson City - Kingsport - Bristol	88,861	86,526	38,120	44	37,902	44	67	95
Knoxville	152,441	147,221	67,022	46	64,198	44	98	85
Memphis	241,420	230,186	86,204	37	109,233	47	87	111

continued on page 186

Metro Areas

	1978							
	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food		Restaurant			
STATE Metro Name			Sales ($000)	Market Share	Sales ($000)	Market Share	RAI	RGI
TENNESSEE cont.								
Nashville-Davidson	265,244	251,674	84,942	34	129,413	51	106	95
Non-Metro Portion of State	271,019	256,973	95,478	37	132,660	52	61	109
State Total	**1,134,823**	**1,084,357**	**411,519**	**38**	**531,204**	**49**	**83**	**99**
TEXAS								
Abilene	35,521	35,170	12,447	35	15,783	45	99	99
Amarillo	63,180	59,774	21,432	36	30,487	51	103	86
Austin	214,628	201,577	75,996	38	95,043	47	130	70
Beaumont - Port Arthur - Orange	115,443	104,894	45,501	43	42,614	41	80	92
Brownsville - Harlingen - San Benito	52,283	46,731	21,512	46	22,460	48	90	77
Bryan - College Station	16,857	15,931	7,678	48	5,232	33	46	113
Corpus Christi	133,540	119,057	44,139	37	61,731	52	110	64
Dallas - Fort Worth	1,129,222	1,062,713	391,255	37	455,935	43	129	82
El Paso	183,607	151,508	56,959	38	71,808	47	133	72
Galveston - Texas City	67,467	60,031	18,300	30	32,979	55	90	87
Houston	1,183,988	1,092,048	391,183	36	528,846	48	109	77
Killeen - Temple	43,369	40,678	17,715	44	15,138	37	72	97
Laredo	23,922	22,016	10,929	50	9,160	42	57	93
Longview - Marshall	55,532	52,257	18,610	36	29,113	56	102	68
Lubbock	65,016	62,298	27,780	45	22,975	37	102	90
McAllen - Pharr - Edinburg	62,873	55,124	24,936	45	20,864	38	109	67
Midland	34,634	31,392	11,813	38	13,673	44	149	75
Odessa	36,182	34,334	14,099	41	14,064	41	100	81
San Angelo	28,328	26,033	8,557	33	12,520	48	140	80
San Antonio	393,744	356,697	137,470	39	161,263	45	125	76
Sherman - Denison	31,518	31,364	13,072	42	10,868	35	102	68
Texarkana	32,274	29,876	10,519	35	14,280	48	79	93
Tyler	23,904	23,790	10,409	44	9,895	42	60	128
Victoria	13,001	12,091	4,306	36	6,734	56	68	127
Waco	52,363	49,128	18,377	37	19,722	40	95	85
Wichita Falls	46,519	43,713	14,873	34	22,517	52	101	76
Non-Metro Portion of State	531,704	493,418	175,714	36	275,006	56	67	104
State Total	**4,653,133**	**4,298,514**	**1,600,269**	**37**	**2,013,481**	**47**	**104**	**82**
UTAH								
Provo - Orem	26,269	24,935	12,789	51	11,254	45	60	147
Salt Lake City - Ogden	272,176	254,590	130,047	51	106,938	42	103	95
Non-Metro Portion of State	56,363	53,292	15,292	29	36,684	69	86	109
State Total	**354,808**	**332,817**	**158,128**	**48**	**154,876**	**47**	**95**	**101**
VERMONT								
Burlington	33,444	33,197	8,594	26	20,210	61	86	104
Non-Metro Portion of State	92,831	85,410	22,136	26	51,958	61	64	141
State Total	**126,275**	**118,607**	**30,730**	**26**	**72,168**	**61**	**69**	**130**
VIRGINIA								
Danville	32,507	32,396	12,170	38	16,750	52	122	72
Lynchburg	45,493	44,860	13,855	31	24,521	55	103	81
Newport News - Hampton	137,388	134,991	43,111	32	75,214	56	149	72
Norfolk - Virginia Beach - Portsmouth	201,566	186,438	76,991	41	88,394	47	100	107
Petersburg - Colonial Heights - Hopewell	33,715	33,323	8,945	27	21,411	64	88	82
Richmond	194,949	187,958	69,525	37	87,095	46	114	102
Roanoke	65,577	63,078	26,533	42	29,447	47	89	108
Non-Metro Portion of State	286,974	283,299	106,386	38	146,530	52	63	117
State Total	**1,429,435**	**1,391,272**	**502,670**	**36**	**694,846**	**50**	**100**	**96**

continued on page 188

Metro Areas

1978

STATE Metro Name	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food		Restaurant		RAI	RGI
			Sales ($000)	Market Share	Sales ($000)	Market Share		
WASHINGTON								
Bremerton	36,551	27,021	7,389	27	18,146	67	74	114
Olympia	40,886	36,831	9,933	27	24,750	67	115	81
Richland - Kennewick - Pasco	33,623	28,135	10,302	37	16,458	58	79	133
Seattle - Everett	692,734	603,223	153,205	25	377,637	63	101	85
Spokane	107,584	87,264	31,622	36	52,102	60	103	118
Tacoma	190,184	159,281	51,219	32	98,871	62	144	66
Yakima	63,225	53,015	16,274	31	32,493	61	112	75
Non-Metro Portion of State	305,510	255,864	69,070	27	171,917	67	103	80
State Total	**1,521,044**	**1,295,644**	**363,492**	**28**	**818,517**	**63**	**104**	**85**
WEST VIRGINIA								
Charleston	55,232	52,546	18,444	35	20,348	39	76	139
Huntington - Ashland	76,878	69,570	32,089	46	25,533	37	74	100
Parkersburg - Marietta	42,600	36,149	10,945	30	14,480	40	76	103
Steubenville - Weirton	47,277	35,766	13,272	37	14,455	40	74	109
Wheeling	68,899	56,185	15,515	28	35,095	62	94	85
Non-Metro Portion of State	208,752	187,943	68,608	37	93,352	50	64	126
State Total	**417,383**	**374,562**	**134,300**	**36**	**176,326**	**47**	**78**	**112**
WISCONSIN								
Appleton - Oshkosh	113,695	80,184	27,201	34	46,017	57	103	93
Duluth - Superior	90,715	59,316	17,860	30	36,370	61	90	125
Eau Claire	59,562	38,144	9,868	26	24,848	65	112	78
Green Bay	63,410	46,343	17,150	37	23,476	51	115	103
Janesville - Beloit	56,468	42,560	11,010	26	27,725	65	106	82
Kenosha	66,287	44,425	17,823	40	25,286	57	141	74
La Crosse	47,787	35,514	13,085	37	18,567	52	138	67
Madison	123,024	93,220	31,989	34	55,568	60	104	113
Manitowoc - Two Rivers	31,970	17,832	4,610	26	11,618	65	110	100
Milwaukee	552,475	404,676	150,486	37	218,526	54	107	109
Racine	63,814	45,600	16,433	36	25,507	56	92	98
Sheboygan	36,467	23,393	6,052	26	15,240	65	103	106
Wausau	44,221	27,535	7,120	26	17,938	65	128	96
Non-Metro Portion of State	624,551	378,581	97,940	26	246,625	65	98	89
State Total	**1,929,647**	**1,303,526**	**418,284**	**32**	**772,390**	**59**	**106**	**97**
WYOMING								
Cheyenne	28,091	24,006	7,032	29	16,102	67	176	103
Non-Metro Portion of State	114,933	88,161	25,691	29	59,145	67	101	133
State Total	**143,024**	**112,167**	**32,723**	**29**	**75,247**	**67**	**111**	**127**
United States Total	**71,602,628**	**61,997,951**	**20,200,466**	**33**	**34,271,476**	**55**	**100**	**100**

more data on page 190

Circle No. 105 →

Sales by Area of Dominant Influence (ADI)

This seventh installment of the ADI's shows 213 areas of dominant influence for a TV signal. Each area includes major cities and nearby counties.

	1978							
			Fast Food		Restaurant			
ADI Name	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Sales ($000)	Market Share	Sales ($000)	Market Share	RAI	RGI
Abilene - Sweetwater	64,259	61,581	21,840	35	30,504	50	87	108
Albany, Ga.	82,427	78,042	35,762	46	35,782	46	76	84
Albany - Schenectady - Troy	361,894	303,996	89,917	30	183,212	60	79	117
Albuquerque	222,781	192,353	65,525	34	106,476	55	83	119
Alexandria, La.	30,368	26,303	12,604	48	10,776	41	50	152
Alexandria, Minn.	63,947	48,078	14,050	29	30,928	64	92	109
Alpena	12,015	8,125	2,280	28	5,350	66	70	87
Amarillo	120,854	111,466	39,805	36	59,477	53	83	104
Anchorage	112,206	77,356	23,586	30	39,967	52	80	115
Anniston	14,735	13,997	6,014	43	6,566	47	60	150
Ardmore - Ada	32,177	30,475	11,720	38	16,352	54	72	107
Atlanta	1,054,470	1,010,755	401,798	40	460,173	46	159	79
Augusta	86,791	80,443	36,663	46	36,926	46	61	122
Austin, Tex.	232,714	218,295	81,951	38	104,356	48	122	72
Bakersfield	156,145	139,760	43,335	31	87,004	62	124	61
Baltimore	786,772	621,891	227,173	37	299,437	48	101	98
Bangor	86,778	84,143	24,349	29	51,828	62	79	96
Baton Rouge	139,104	119,675	55,416	46	51,957	43	68	123
Beaumont - Port Arthur	122,984	111,822	47,966	43	46,474	42	74	96
Bellingham	43,900	36,909	9,819	27	24,810	67	116	66
Billings	49,135	35,548	10,008	28	22,977	65	86	134
Biloxi - Gulfport - Pascagoula	59,281	50,716	20,934	41	27,514	54	122	83
Binghamton	91,398	70,853	20,451	29	43,913	62	57	132
Birmingham	348,966	332,787	145,401	44	132,726	40	94	90
Bluefield - Beckley - Oak Hill	63,806	59,220	21,764	37	29,549	50	62	128
Boise	117,337	97,080	31,844	33	52,843	54	99	95
Boston	1,894,376	1,700,229	469,264	28	996,643	59	106	95
Bowling Green	34,211	33,270	13,028	39	17,806	54	114	67
Bristol - Kingsport - Johnson City	128,839	125,316	52,951	42	57,951	46	58	113
Buffalo	497,329	388,745	117,009	30	225,228	58	81	114
Burlington - Plattsburgh	130,466	117,090	30,786	26	71,425	61	63	141
Casper - Riverton	46,862	36,226	10,483	29	24,314	67	86	128
Cedar Rapids - Waterloo	241,297	182,118	64,259	35	98,303	54	111	100
Charleston, S.C.	96,750	91,584	34,261	37	41,466	45	58	113
Charleston - Huntington	279,500	248,430	95,081	38	110,622	45	60	118
Charlotte	391,834	378,016	149,375	40	180,129	48	82	102
Charlottesville - Harrisonburg	72,663	71,275	26,734	38	36,782	52	89	94
Chattanooga	184,090	179,527	70,477	39	89,033	50	76	103
Cheyenne	42,762	34,525	9,799	28	23,184	67	110	119
Chicago	3,350,391	2,858,183	858,255	30	1,629,505	57	126	93
Chico - Redding	100,603	83,357	23,893	29	54,916	66	85	95
Cincinnati	633,935	544,956	239,296	44	233,561	43	101	92
Clarksburg - Weston	45,306	41,364	15,026	36	20,552	50	63	116

continued on page 192

Circle No. 91 →

ADI Report

	1978							
	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food		Restaurant			
ADI Name			Sales ($000)	Market Share	Sales ($000)	Market Share	RAI	RGI
Cleveland	1,370,227	1,127,512	368,707	33	603,314	54	98	96
Colorado Springs - Pueblo	149,480	127,820	40,685	32	75,628	59	100	110
Columbia, S.C.	136,805	134,285	63,498	47	56,180	42	83	110
Columbia - Jefferson City	107,191	95,970	34,166	36	54,599	57	106	98
Columbus, Ga.	98,856	93,782	48,877	52	36,638	39	76	104
Columbus - Tupelo, Miss.	72,917	68,967	28,258	41	31,805	46	59	111
Columbus, Ohio	553,784	477,313	160,814	34	241,998	51	119	88
Corpus Christi	176,552	159,138	58,417	37	84,060	53	103	63
Dallas - Ft. Worth	1,268,068	1,194,215	440,035	37	522,576	44	120	83
Davenport - Rock Island - Moline	301,976	230,403	76,705	33	134,170	58	103	96
Dayton	436,366	369,201	169,493	46	157,704	43	112	90
Denver	714,859	622,665	170,363	27	383,599	62	115	102
Des Moines	281,806	231,030	78,766	34	129,648	56	100	119
Detroit	1,750,836	1,435,147	496,974	35	725,757	51	103	96
Dothan	41,557	39,132	16,037	41	19,482	50	57	132
Dubuque	38,488	29,515	12,207	41	12,262	42	129	90
Duluth - Superior	167,413	110,495	32,072	29	69,537	63	96	108
El Centro - Yuma	43,087	35,659	8,783	25	24,573	69	57	107
El Paso	212,404	174,493	64,588	37	85,332	49	120	82
Elmira	63,632	49,441	16,109	33	29,424	60	76	114
Erie	107,292	79,125	25,351	32	43,988	56	76	129
Eugene	117,973	99,577	32,016	32	56,516	57	88	98
Eureka	49,179	38,524	11,063	29	25,369	66	95	93
Evansville	176,193	145,965	53,449	37	78,459	54	81	107
Fargo	161,025	115,448	37,030	32	70,772	61	96	126
Farmington	16,611	13,981	4,636	33	8,234	59	55	114
Flagstaff	32,832	30,866	6,614	21	22,011	71	130	94
Flint - Saginaw - Bay City	399,832	302,104	103,467	34	172,377	57	81	97
Florence, S.C.	49,349	47,582	19,631	41	24,418	51	61	120
Ft. Myers - Naples	118,507	110,030	30,406	28	73,726	67	95	96
Ft. Smith	83,391	77,924	34,879	45	34,070	44	101	84
Ft. Wayne	214,593	178,531	62,991	35	88,636	50	127	86
Fresno	298,791	259,929	88,058	34	156,058	60	97	82
Gainesville	61,015	59,066	24,430	41	27,929	47	104	59
Grand Junction	23,865	21,772	5,788	27	14,542	67	68	134
Grand Rapids - Kalamazoo - Battle Creek	489,348	396,415	128,848	33	214,858	54	87	92
Great Falls	51,868	24,851	7,189	29	16,150	65	46	196
Green Bay	378,983	250,849	77,066	31	150,653	60	95	92
Greensboro - Winston-Salem - High Point	281,919	274,689	107,879	39	110,802	40	93	105
Greenville - New Bern - Washington	113,970	108,144	46,561	43	53,482	49	84	90
Greenville - Spartanburg - Asheville	366,018	352,623	146,663	42	168,283	48	86	92
Greenwood - Greenville	15,081	14,306	5,851	41	6,595	46	41	154
Harrisburg - York - Lancaster - Lebanon	361,034	296,754	98,212	33	170,613	57	88	126
Hartford - New Haven	652,081	584,959	179,887	31	331,394	57	94	112
Helena	15,897	10,001	2,714	27	6,972	70	62	134
Houston	1,315,136	1,211,171	430,521	36	594,743	49	105	78
Huntsville - Decatur - Florence	144,808	139,763	59,259	42	57,778	41	92	93
Idaho Falls - Pocatello	72,208	59,852	20,026	33	37,166	62	94	122
Indianapolis	763,028	656,049	213,883	33	293,480	45	119	88
Jackson, Miss.	186,124	181,968	71,238	39	74,317	41	79	103
Jackson, Tenn.	33,422	31,713	11,786	37	16,369	52	82	93
Jacksonville	349,061	326,710	117,905	36	174,725	53	132	89
Johnstown - Altoona	184,443	138,622	43,045	31	81,500	59	70	128
Jonesboro	31,563	30,741	11,196	36	16,070	52	76	111
Joplin - Pittsburg	110,863	102,008	36,714	36	57,531	56	103	93

continued on page 194

ADI Report

	1978							
			Fast Food		Restaurant			
ADI Name	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Sales ($000)	Market Share	Sales ($000)	Market Share	RAI	RGI
Kansas City	576,957	517,736	186,697	36	271,888	53	108	107
Knoxville	271,182	259,633	109,326	42	122,730	47	79	94
La Crosse - Eau Claire	191,900	125,801	36,979	29	77,251	61	112	80
Lafayette, Ind.	49,145	43,902	20,915	48	18,760	43	155	73
Lafayette, La.	133,372	113,818	36,819	32	65,204	57	75	84
Lake Charles	42,830	35,639	15,648	44	14,947	42	77	126
Lansing	227,295	189,036	58,737	31	103,049	55	136	80
Laredo	24,408	22,470	11,093	49	9,414	42	57	94
Las Vegas	156,582	118,493	49,120	41	59,837	50	98	497
Laurel - Hattiesburg	48,581	46,731	19,109	41	21,538	46	67	94
Lexington	176,496	167,629	68,650	41	83,857	50	96	87
Lima	43,075	37,064	13,044	35	20,503	55	140	77
Lincoln - Hastings - Kearney	195,695	147,541	45,108	31	91,774	62	107	112
Little Rock	236,771	225,621	89,619	40	109,263	48	78	122
Los Angeles	4,465,296	4,072,805	1,228,788	30	2,563,400	63	129	79
Louisville	386,977	337,446	133,918	40	156,836	46	92	107
Lubbock	101,361	95,398	39,519	41	41,501	44	83	105
Macon	83,027	78,750	36,338	46	33,515	43	82	109
Madison	210,091	150,137	46,716	31	92,645	62	105	102
Mankato	26,755	22,195	6,581	30	14,184	64	91	123
Marquette	49,705	33,619	9,401	28	22,123	66	91	87
McAllen - Brownsville	118,346	104,839	47,509	45	44,986	43	95	74
Medford	84,136	71,485	20,703	29	46,965	66	114	99
Memphis	334,686	317,218	119,317	38	153,137	48	69	120
Meridian	38,730	36,642	15,102	41	16,937	46	70	114
Miami	1,368,945	1,268,427	363,901	29	778,064	61	156	80
Miles City - Glendive	7,952	5,002	1,358	27	3,496	70	52	173
Milwaukee	743,800	534,763	188,778	35	299,070	56	107	106
Minneapolis - St. Paul	997,535	774,086	230,605	30	464,458	60	108	111
Minot - Bismarck - Dickinson	94,594	61,412	17,127	28	41,168	67	82	149
Missoula - Butte	90,514	59,027	16,019	27	41,145	70	61	128
Mobile - Pensacola	321,924	288,805	118,205	41	136,480	47	93	85
Monroe - El Dorado	78,318	66,874	27,905	42	32,090	48	48	139
Montgomery	99,741	95,264	39,020	41	43,879	46	82	105
Nashville	422,382	400,674	141,081	35	207,072	52	83	98
New Orleans	568,834	481,190	176,388	37	237,490	49	102	98
New York	5,541,337	4,711,545	1,052,629	22	2,907,468	62	88	125
Norfolk - Portsmouth - Newport News - Hampton	378,282	359,766	136,060	38	182,826	51	108	92
North Platte	13,801	9,686	2,506	26	6,543	68	117	133
Odessa - Midland	106,874	99,027	37,773	38	46,291	47	100	84
Oklahoma City	437,391	415,96[illegible]	151,379	36	195,407	47	111	85
Omaha	323,647	246,323	74,092	30	145,773	59	117	111
Orlando - Daytona Beach	664,647	613,567	215,160	35	340,922	56	142	88
Ottumwa - Kirksville	14,052	11,366	3,801	33	6,801	60	78	148
Paducah - Cape Girardeau - Harrisburg	191,579	165,534	59,652	36	92,423	56	77	104
Palm Springs	228,966	209,368	56,966	27	138,342	66	119	78
Panama City	62,952	57,885	18,417	32	35,787	62	123	73
Parkersburg	27,286	24,110	7,301	30	9,660	40	99	95
Peoria	212,819	173,792	55,827	32	98,027	56	113	105
Philadelphia	2,120,075	1,719,261	514,152	30	975,526	57	85	131
Phoenix	441,633	382,837	110,654	29	229,709	60	75	123
Pittsburgh	832,024	617,742	209,181	34	339,751	55	74	142
Portland, Ore.	599,140	505,476	155,257	31	304,871	60	82	110
Portland - Poland Spring	247,474	239,295	67,547	28	141,286	59	86	99

continued on page 196

ADI Report

	1978							
	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food		Restaurant			
ADI Name			Sales ($000)	Market Share	Sales ($000)	Market Share	RAI	RGI
Presque Isle	18,056	16,404	4,748	29	10,104	62	58	109
Providence	425,368	369,579	122,400	33	212,538	58	96	100
Quincy - Hannibal	89,306	68,311	23,596	35	39,115	57	96	106
Raleigh - Durham	306,626	297,375	118,996	40	143,732	48	84	116
Rapid City	71,385	55,655	16,537	30	35,503	64	97	122
Reno	108,415	87,732	24,762	28	57,807	66	84	196
Richmond	258,198	250,493	89,431	36	123,621	49	98	102
Roanoke - Lynchburg	222,212	217,709	81,604	37	110,699	51	82	103
Rochester, N.Y.	240,517	202,372	60,666	30	112,371	56	74	131
Rochester - Mason City - Austin	114,778	93,549	29,192	31	58,689	63	110	124
Rockford	202,343	161,648	50,582	31	97,707	60	114	83
Roswell	31,323	27,087	8,982	33	15,955	59	55	145
Sacramento - Stockton	697,615	596,089	200,783	34	347,412	58	91	86
St. Joseph	36,611	29,016	11,157	38	15,283	53	81	115
St. Louis	801,318	668,229	203,845	31	342,406	51	88	121
Salinas - Monterey	208,049	189,672	49,679	26	128,437	68	134	73
Salisbury	107,247	98,509	31,046	32	58,903	60	117	69
Salt Lake City	390,619	359,590	165,956	46	173,055	48	94	108
San Angelo	28,649	26,340	8,669	33	12,698	48	134	82
San Antonio	457,289	415,601	158,451	38	194,105	47	113	78
San Diego	685,925	604,873	188,202	31	385,151	64	121	84
San Francisco	2,039,476	1,780,554	493,529	28	1,098,296	62	113	98
Santa Barbara - Santa Maria - San Luis Obispo	199,755	161,778	47,125	26	123,032	68	154	76
Savannah	133,116	123,830	44,104	36	62,267	50	103	81
Seattle - Tacoma	1,072,914	918,720	246,738	27	581,456	63	104	82
Selma, Alabama	11,136	10,717	4,604	43	5,026	47	59	101
Shreveport - Texarkana	236,405	216,586	76,718	35	115,035	53	70	111
Sioux City	134,757	101,294	30,056	30	62,351	62	112	104
Sioux Falls - Mitchell	143,698	109,150	33,719	31	67,022	61	90	126
South Bend - Elkhart	267,069	220,180	75,825	34	125,821	57	114	87
Spokane	274,397	219,840	70,778	32	138,565	63	92	102
Springfield, Mass.	199,459	167,563	62,567	37	82,527	49	112	105
Springfield, Mo.	167,583	153,107	54,951	36	80,763	53	102	92
Springfield - Decatur - Champaign	321,747	260,231	92,923	36	137,786	53	127	93
Syracuse	237,258	198,629	58,508	29	110,760	56	80	120
Tallahassee	124,015	119,388	53,035	44	56,356	47	104	69
Tampa - St. Petersburg	876,521	798,864	260,449	33	442,463	55	111	79
Terre Haute	147,061	115,909	35,929	31	59,853	52	98	90
Toledo	419,156	342,749	114,669	33	179,001	52	105	84
Topeka	109,189	100,474	34,976	35	56,835	57	112	95
Traverse City - Cadillac	161,519	114,347	32,116	28	75,276	66	84	76
Tucson	147,024	126,414	44,045	35	71,508	57	72	120
Tulsa	301,431	285,489	111,242	39	120,234	42	98	92
Tuscaloosa	32,851	32,377	15,892	49	11,070	34	100	81
Twin Falls	19,156	14,791	4,996	34	9,133	62	94	123
Tyler	43,709	43,007	17,255	40	20,599	48	57	125
Utica	100,157	83,373	27,731	33	49,998	60	84	105
Victoria	13,001	12,091	4,306	36	6,734	56	68	127
Waco - Temple	129,781	121,716	49,458	41	48,989	40	73	96
Washington, D.C.	1,529,455	1,452,750	463,181	32	749,769	52	133	94
Watertown - Carthage	47,909	37,668	10,457	28	23,137	61	59	130
Wausau - Rhinelander	171,750	100,899	26,103	26	65,736	65	91	101
West Palm Beach	286,525	256,524	74,730	29	155,780	61	102	84
Wheeling - Steubenville	114,259	90,421	27,744	31	51,418	57	77	100
Wichita - Hutchinson	336,900	305,850	115,765	38	167,348	55	124	97
Wichita Falls - Lawton	111,532	103,270	39,742	38	51,291	50	94	93
Wilkes-Barre - Scranton	292,789	220,715	72,972	33	121,196	55	64	129
Wilmington	129,981	125,923	50,078	40	67,970	54	100	100
Yakima	137,166	113,160	35,497	31	70,312	62	97	98
Youngstown	231,255	181,594	65,996	36	96,114	53	94	103
Zanesville	24,140	18,673	6,369	34	10,036	54	86	100
Total ADIs	71,032,835	61,500,843	20,073,417	33	33,960,392	55	100	100

more data on page 124

S-1375-1

A BILL PUBLICATION FAST FOOD®

Restaurant Business

FEBRUARY 1, 1980

RECEIVED
19 1980

Church's winning team

page 129

plus
RGI
update

Back to Bases

page 193

Restaurant Business

Contents

FEBRUARY 1, 1980 VOL. 79, NO. 2

Special Features

Church's Winning Team—The Texas-based fried chicken chain blends the best of old school discipline with new school management and information systems and arrives at a sure fire recipe for success. 120

Back to Bases—Soups, sauces and gravies, "the basics," are more important than ever in shaping your menu. Now, even the most pressured kitchen can produce admirable soups, sauces and gravies. Food editor Kathleen Kenny tells you how 193

Publix enters the foodservice fray—A supermarket chain in Florida trys its hand at another kind of food marketing: the instore restaurant 97

Pleasant Peasant's POS, computer-terminal system—Two Atlanta restaurateurs found that an electronic information system helped manage their growing chain of full service restaurants 102

The International Trade Show Scene: ANUGA—The food marketing trade show held recently in Cologne, Germany yielded many points of interest for the American foodservice executive 110

The "new generation" managers—The new crop of managers coming into the marketplace is markedly different than its predecessors. Are you up-to-date? 118

Sonny Look: Houston's restaurateur turned hotelier—After carving out a distinguished career in restaurants, this well known restaurateur turns his attention to hotels 124

From fame to famine to Tahoe—A famous old dining room in the hinterlands of Kansas meets its demise. But chef-owner Gordon Bute is undaunted. He plans to rebuild, but this time at Lake Tahoe 138

RGI update—Current sales figures broken out by regions provide an update to our annual Restaurant Growth Index report 141

Bananas over Bananas!—Colorado restaurateur Wayne Dozier and designer Victor Huff collaborate on a couple of casual restaurants with a zany theme—bananas 147

The Hilltop Steakhouse: At the pinnacle of success—The third installment of our "Multimillion dollar independent" series. Owner Frank Giuffrida recorded sales of $32 million last year from his moderate-priced steakhouse and retail meat shop 158

Fresh, light food stars at Hayes Street Grill—A "no-frills" restaurant found the highly competitive, sophisticated San Francisco market very receptive to its good food, good wine credo 164

TWA gets the call—When Pope John Paul visited the U.S. last fall, the in-flight foodservice fell to TWA. The challenges were unusual but everything worked 182

Cover photo by Swain Edens

Regular Features

Legal tips 2

From the Managing Editor's Desk—"RB's new faces" 12

Editorial—"Help! It's February" 16

Foodservice Calendar—Upcoming events of interest 18

Up Front 27

Menu Planners Guide 56

Trade Quotes—Monthly review of foodservice stocks 74

The Tax Bite—"Surveying the 1980 tax scene" by Irving L. Blackman 78

Management—"Treating turnover trauma" by James L. Hayes 82

Dining With—Vincent Sardi 84

Book Review 95

Management Psychology—"Anatomy of an entrepreneur" by Mortimer R. Feinberg, Ph.D. 100

International Calendar 116

Drafts, Carafes & Spirits—"Bold, beautiful brandy" 173

Bar Management—The newest in spirits, mixers and bar equipment 176

The Wine Seller—"Reading the Wine Label: Bordeaux Wines" by Michael Buller 178

Buyer's Circle—The latest in foodservice equipment 188

Worth Writing For—Publications to help you on the job 201

Raising Your Equipment I.Q.—"Economize with electrical load management" by Gil Cummings 202

Design Marketplace—The place to find new furnishings, lighting . . 207

Operations Management—"We are the greatest" by Leon Gottlieb . 232

Classified Advertising—the foodservice marketplace 238

◄ Circle No. 9

RGI
UPDATE

A regional analysis

by Malcolm M. Knapp

Foodservice sales are presented at the dawn of a new decade to compare the benchmark Census of Retail Trade years of 1972 and 1977 and to present the outlook for 1980. These data are a continuation of the material presented in the Restaurant Growth Index in the September 15th, 1979 issue of *Restaurant Business.*

The very recent publication of the 1977 Census of Retail Trade reports affords an opportunity to compare our estimates with the results of the census and to recalibrate our projections. The examination is for eating places as the merchandise line figures for the remainder of the analysis will not be out until April.

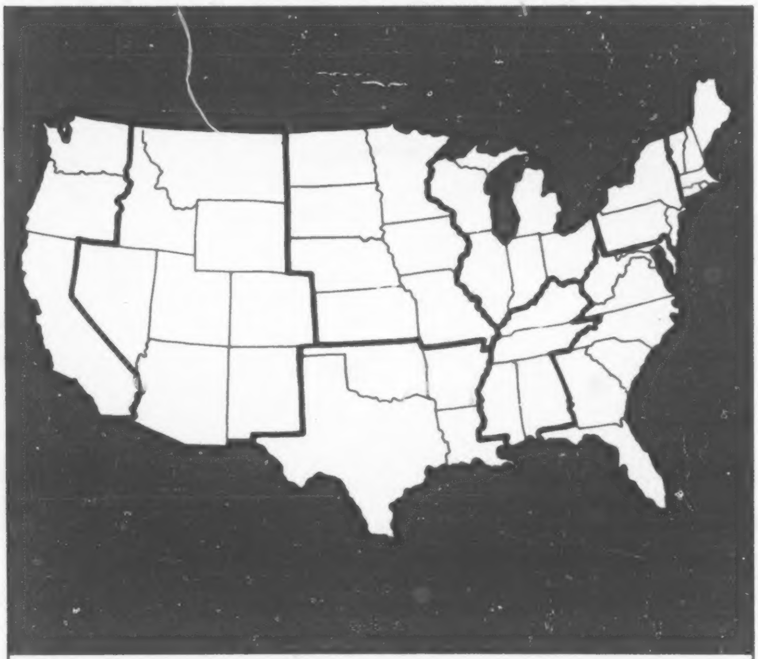
On the overall sales of eating places, our estimates are 2.84 percent higher than census in 1977. In fact, the estimates we made are *nearly* on target with respect to the percent change over the five-year period because there was an overstatement of sales between 2.5 percent and 3.0 percent due to about 60 percent of the respondents to the census including sales tax in their sales figures in the 1972 census. This did not happen in 1977. We were only 7.58 percent high for restaurants and 9.38 percent low for limited-menu restaurants (fast food).

There was some shifting of sales between these two categories due to more stringent definitions of what a full-menu restaurant is (must have waiter/waitress service taking the

FOODSERVICE INDUSTRY SALES OVERVIEW

Foodservice Sales	1972 Sales ($1,000)	1977 Sales ($1,000)	1980 Sales ($1,000)	Compound % annual growth 1972/1977	Compound % annual growth 1977/1980
TOTAL MARKET	50,608,120	85,393,062	112,170,215	11.03	9.52
Commercial/contract	41,739,870	71,700,081	94,659,979	11.43	9.70
Institutional/internal	8,257,498	13,121,523	16,855,239	9.71	8.71
Military	610,752	571,458	654,997	-1.32	4.65
MAJOR MARKET SEGMENTS					
Separate Eating & Drinking Places	32,069,906	55,985,408	73,837,952	11.97	9.67
Hotel Motel Market	2,999,204	4,816,698	6,509,874	9.94	10.56
The Transportation Market	806,453	1,309,690	1,937,510	10.18	13.94
The Leisure Market	953,418	1,794,278	2,504,566	13.48	11.76
The Retail Market	1,942,404	2,887,733	3,678,226	8.25	8.40
The Business Industrial Market	3,136,655	5,293,978	6,887,854	11.04	9.17
The Student Market	3,293,094	4,806,762	6,020,914	7.86	7.80
The Health Care Market	4,474,843	7,415,486	9,664,128	10.63	9.23

SEPARATE EATING AND DRINKING PLACES



UNITED STATES	1972 Sales ($1,000)	1977 Sales ($1,000)	1980 Sales ($1,000)	Compound annual growth 1972/1977	Compound annual growth 1977/1980
Restaurants	15,961,207	27,287,568	34,865,877	11.32%	8.51%
Cafeterias	1,522,092	1,765,628	2,130,178	3.01	6.46
Limited menu restaurants	8,264,422	18,899,368	27,376,241	17.99	13.15
Social Caterers	643,155	692,536	772,202	1.49	3.70
Ice cream, frozen custard stands	345,623	919,030	1,306,160	21.60	12.43
Bars and taverns	5,333,407	6,421,258	7,387,294	3.78	4.78
	32,069,906	55,985,408	73,837,952	11.79	9.67

order and delivering the food while the patron is seated).

Social caterers did not grow as much as expected and a portion of the sales which they might have enjoyed were gained by restaurants being more aggressive in seeking and obtaining catering business.

Cafeterias also grew by much less (35.5 percent less than estimated) due to negative growth in sales in three census regions and negative growth in the number of stores in six of nine census regions.

The most dramatic growth took place in ice cream, frozen custard stands which was 49.72 percent higher than our estimate. Part of the reason for the big difference is the inclusion in the figures of stores which were not categorized in this classification in 1972. The growth in yogurt is encompassed within this category which is another reason for the spectacular gain.

The regional analysis comparing the 1972 with the 1977 Retail Trade Census for the meals, snacks and alcoholic beverage sales of full-menu restaurants, cafeterias, and limited-menu restaurants is a fascinating peek into the regional variations not only in growth but in what the relative growth rates are for the different segments.

For example, The West South Central region had a decline in the number of establishments in both full-menu restaurants and cafeterias but had the highest percent gain,

PACIFIC	1972 Sales ($1,000)	1977 Sales ($1,000)	1980 Sales ($1,000)	Compound annual growth	
				1972/1977	1977/1980
Restaurants	3,012,158	5,547,251	7,311,045	12.99	9.64
Cafeterias	215,385	218,522	241,928	0.29	3.45
Limited menu restaurants	1,291,406	2,996,519	4,354,238	18.34	13.27

MOUNTAIN	1972 Sales ($1,000)	1977 Sales ($1,000)	1980 Sales ($1,000)	Compound annual growth	
				1972/1977	1977/1980
Restaurants	776,937	1,546,460	2,113,212	14.76%	10.97%
Cafeterias	63,168	93,317	123,259	8.12	9.72
Limited menu restaurants	376,078	927,224	1,385,119	19.78	14.31

Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming

WEST NORTH CENTRAL	1972 Sales ($1,000)	1977 Sales ($1,000)	1980 Sales ($1,000)	Compound annual growth	
				1972/1977	1977/1980
Restaurants	1,122,952	1,997,283	2,590,364	12.21%	9.05%
Cafeterias	113,432	130,577	156,843	2.85	6.30
Limited menu restaurants	576,306	1,407,935	2,094,413	19.56	14.15

Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota

42.07 percent, in number of limited-menu restaurants. Despite the decline in establishment counts in full-menu restaurants and cafeterias, the West South Central region had increases of 88.21 percent in sales for full-menu restaurants (second highest gain by region for this industry segment) and 58.68 percent in cafeteria sales (the highest gain). It also had the highest gain, 174.74 percent, in the limited-menu restaurant segment. These data point to the importance of store size or location in generating sales per unit. It is too easy to misread the economic health of an industry or region by looking only at the changes in the number of stores.

The New England and Middle Atlantic regions had basically the lowest sales gains in all three segments. The East North Central region was the third worst in performance. Despite this, The East North Central region is the largest dollar volume region for limited-menu restaurants.

The Pacific region, which usually commands a large share of mind in originating trends, has a somewhat lower rate of growth than one would intuitively expect. It is third in growth in full-menu restaurant sales but first in total dollars. It is sixth in cafeteria sales growth and fourth in sales size. And, it is sixth in limited-menu growth and third in sales size.

Reinforcing the earlier point about the variability of the numbers of establishments in predicting sales, the Pacific region, which ranks third in the number of restaurants, has 11.6 percent fewer establishments than the East North Central region which has 6.99 percent fewer sales than the Pacific region.

In restaurant sales, the once dominant Middle Atlantic region is now eclipsed substantially by the East North Central and Pacific regions.

In the cafeteria group, the East North Central region, which was number one in 1972, is now number three, according to 1977 census

In restaurant sales, the once dominant Middle Atlantic region is now eclipsed substantially by the East North Central and Pacific regions.

WEST SOUTH CENTRAL	1972 Sales ($1,000)	1977 Sales ($1,000)	1980 Sales ($1,000)	Compound annual growth 1972/1977	Compound annual growth 1977/1980
Restaurants	1,100,265	2,070,590	2,756,521	13.48%	10.01%
Cafeterias	227,465	360,953	489,261	9.67	10.67
Limited menu restaurants	778,652	2,138,975	3,358,782	22.40	16.23

Arkansas, Louisiana, Oklahoma and Texas

EAST NORTH CENTRAL	1972 Sales ($1,000)	1977 Sales ($1,000)	1980 Sales ($1,000)	Compound annual growth 1972/1977	Compound annual growth 1977/1980
Restaurants	2,976,258	5,159,641	6,612,064	11.63%	8.62%
Cafeterias	306,134	253,951	261,910	-3.67	1.03
Limited menu restaurants	1,700,169	3,703,638	5,228,062	16.85	12.18

Illinois, Indiana, Michigan, Ohio and Wisconsin

EAST SOUTH CENTRAL	1972 Sales ($1,000)	1977 Sales ($1,000)	1980 Sales ($1,000)	Compound annual growth 1972/1977	Compound annual growth 1977/1980
Restaurants	581,328	1,040,693	1,353,628	12.35%	9.16%
Cafeterias	90,908	119,450	148,848	5.61	7.61
Limited menu restaurants	454,798	1,162,852	1,766,409	20.66	14.95

Alabama, Kentucky, Mississippi, and Tennessee

data, with the South Atlantic region taking over the number one spot and West South Central moving into the number two position.

For the limited-menu restaurant segment, the East North Central region retains its number one spot. This segment is unique in that the first six regions in sales in 1972 remained in the same relative positions in 1977.

In terms of contribution to the overall sales gain of $22,827,651,000 in eating place sales from 1972 to 1977, restaurants increased $11,326,361,000 for 49.62 percent of the total gain. Limited menu restaurants increased $10,634,966,000 or 46.59 percent of the total gain. Ice cream, frozen custard stands gained $573,407,000 or 2.50 percent of total gain. Cafeterias gained $243,536,000 or 1.07 percent of total gain and social caterers increased by $49,381,000, or 0.22 percent of the total gain. This analysis disproves the notion that all sales gains are generated by limited-menu restaurants.

In 1977 there were 229,892 eating place establishments versus 203,063 in 1972 (establishments with payroll), a gain of 26,829 or 2.51 percent increase compounded each year. Restaurants grew in the number of establishments by 6,240 for a compound growth of 1.08 percent per year or 23.26 percent of the total growth. Limited-menu restaurants grew by 19,509 for a compound growth rate of 4.85 percent per year or 72.71 percent of the total growth of establishments.

Foodservice markets in 1980 will grow 9.1 percent to $112.2 billion with the commercial/contract market up 9.3 percent; the institutional/internal market up 8.0 percent and the military up 6.8 percent. Eating place sales will rise 9.9 percent with limited-menu restaurants gaining 12.4 percent and restaurants up a lackluster 8.4 percent.

The pressures of menu price increase of 9.7 percent will keep real growth for the eating places to a

continued on page 146

In short, 1980 will not be a good growth year, but because of various structural reasons . . . it will not be the disaster that 1979 turned out to be.

SOUTH ATLANTIC	1972 Sales ($1,000)	1977 Sales ($1,000)	1980 Sales ($1,000)	Compound annual growth 1972/1977	Compound annual growth 1977/1980
Restaurants	2,217,827	3,852,144	4,941,504	11.68%	8.66%
Cafeterias	273,641	394,818	514,262	7.61	9.21
Limited menu restaurants	1,407,403	3,291,014	4,798,631	18.52	13.40

MIDDLE ATLANTIC	1972 Sales ($1,000)	1977 Sales ($1,000)	1980 Sales ($1,000)	Compound annual growth 1972/1977	Compound annual growth 1977/1980
Restaurants	3,107,202	4,375,562	5,095,445	7.09%	5.21%
Cafeterias	186,690	151,152	148,045	-4.14	0.69
Limited menu restaurants	1,197,530	2,388,443	3,239,126	14.81	10.69

NEW ENGLAND	1972 Sales ($1,000)	1977 Sales ($1,000)	1980 Sales ($1,000)	Compound annual growth 1972/1977	Compound annual growth 1977/1980
Restaurants	1,066,280	1,697,944	2,092,094	9.75%	7.21%
Cafeterias	45,269	42,888	45,822	-1.07	2.23
Limited menu restaurants	482,080	882,788	1,151,461	12.86	9.26

bare minimum 0.2 percent real growth. People are looking for value and they are looking very carefully. The food-at-home prices will be moving up less rapidly than food-away-from-home and will create a price-value problem. The institutional/internal segment continues to show low or negative gains due to declining populations. Also, in 1980, employment at best will remain stable and not have the very large gains of the past few years.

In short, 1980 will not be a good growth year, but because of structural reasons such as the necessity of eating away from home, the changing age mix, working wives, and government support payments, it will not be the disaster that 1979 turned out to be.

From the 1979 data that is already in, it is clear that it was a negative growth year for separate eating places. Menu inflation for this segment was up 11.1 percent and sales were up only 9.3 percent, leaving us with sales off 1.8 percent in terms of real growth.

The main culprits were:

- The gasoline shortage and the over-reaction to it on the part of consumers which removed between 0.8 and 1.2 percent from sales;
- Menu inflation which was in double digits and which made the consumer question the price-value of eating out;
- Higher cost of fixed charges on consumer income from such areas as housing, transportation, food, and medical care which left fewer discretionary dollars; and
- The uncertainty the consumer felt about his own economic future which led him to cut back.

The commercial/contract group was up 9.0 percent in sales; the institutional/internal group was up 8.6 percent, and the military was up 4.8 percent. Overall, the foodservice industry was up 8.9 percent.

---

*This summary was prepared by RBI Research and Malcolm Knapp, president of Malcolm M. Knapp, Inc., New York. The 1972, 1977 and 1980 sales data used in this major market segment report were prepared by Mr. Knapp under contract with the National Restaurant Association. Eating place sales data for the nine major census regions were prepared by Mr. Knapp specifically for **Restaurant Business Magazine**.*

A BILL PUBLICATION FAST FOOD

Restaurant Business

MARCH 1, 1980

C 8075-1 U

Franchising: How fertile its future?

page 109

RECEIVED
MAR 14 1980

Sandwiches

page 181

Restaurant
Business

Contents

MARCH 1, 1980

VOL. 79, NO. 3

Special Features

Franchising: How fertile its future?—Our fifteenth annual roundup of franchising issues and trends plus complete statistical information **109**

Trends by market segments **110**

Franchising in the economy—The U.S. Department of Commerce's Andrew Kostecka interprets the department's data on restaurant franchising. Also, charts **127**

What you should know about the FTC Rule—The legal ramifications about the Federal Trade Commission's new disclosure rule **145**

Franchise friction points—The points of conflict for both franchisor and franchisee are enumerated and solutions offered **150**

The many faces of sandwiches—No longer a stereotyped menu item, the sandwich in its many guises can be the perfect answer to many different meal occasions. Food editor Kathleen Kenny shows you how **181**

Terrapin Hall: Entertainment takes center stage—A restaurant/entertainment complex in a Ramada Inn puts a new twist on a theatrical concept **73**

Burger Chef: Carving out its image—The beleaguered hamburger chain takes an entirely new marketing tack in an effort to gain a share of the market **158**

Regular Features

Sanitation Tips **2**

From the Managing Editor's Desk—"Franchising and 'sci fi' " **12**

Editorial—"Beyond the numbers" **16**

Foodservice Calendar—Upcoming events of interest **18**

Up Front **24**

Menu Planners Guide **44**

The Wine Seller—"Reading the Wine Label: German Wines" by Michael Buller **65**

Trade Quotes—Monthly review of foodservice stocks **70**

Management Psychology—"Auditing your leadership" by Mortimer R. Feinberg, PhD. **84**

From the Labor Front—"Legal pitfalls in successorship: Part II" by Alfred De Maria **86**

Personal Finance—"The roots of inflation" by John L. Steffens . . . **92**

Book Review **94**

Drafts, Carafes & Spirits—"When 'Irish' hearts are happy" **97**

Bar Management Guide—The newest in spirits, mixers and bar equipment **102**

Worth Writing For—Publications to help you on the job **166**

Buyer's Circle—The latest in foodservice equipment **174**

Design Marketplace—The place to find new furnishings, lighting fixtures and accessories **189**

Raising Your Equipment I.Q.—"Water: the universal solvent" by Gil Cummings **190**

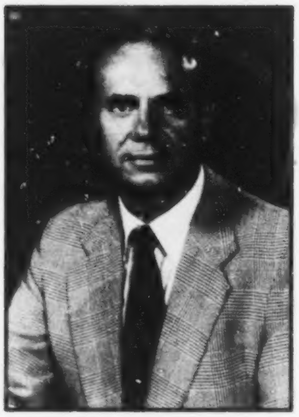
Marketing—"Raising customer counts in a changing economy" by James M. Degen **208**

Classified Advertising—The foodservice marketplace **210**

Reprints of the 12th Annual Restaurant Growth Index are now available for $2 per copy. Contact the editors of Restaurant Business at 633 Third Avenue, New York, N.Y., 10017.

Cover illustration by Mark Kaplan

Restaurant franchising in the economy



"Franchising in the Economy, 1978-1980," is an updated study about franchising in the United States which is issued annually by the Department of Commerce. Each March since 1973, Restaurant Business has published excerpts of the survey results which pertain to franchised restaurants. The report and tables were prepared by Andrew Kostecka of the Service Industries, Division, Bureau of Industrial Economics, which is under the supervision of Wray O. Candilis, director.

Franchising has achieved a phenomenal growth rate over the past several years and continues to offer tremendous opportunities to individuals and companies seeking wider distribution for their products and services.

Franchising has become highly attractive to many large corporations and conglomerates, here and abroad, as a means of diversification in such fields as fast food, real estate, and hotels and motels.

In addition, franchisees are enjoying a competitive edge over the small business entrepreneurs by the use of tradenames, marketing expertise, acquisition of a distinctive business appearance, standarization of products and services, training, and advertising support from the parent organization.

This major force in the U.S. economy is not merely another industry. It is a way of marketing a product or service, and is being successfully adopted by an everwidening variety of industries and businesses. The remarkable thing about franchising is that it is probably the only form of business entity that, by its very nature, contributes to the creation of new business units.

Franchise sales of goods and services by all franchising companies are expected to reach $338 billion in 1980, an increase of 18 percent over the sales reported for 1978, while the number of establishments will be approximately 488,000 in 1980, up from 452,000.

Employment in franchising, including part-time workers and working proprietors, is estimated at 4,496,250 in 1978, a gain of over 8 percent from the 1977 level of 4,150,759.

The movement of U.S. franchisors seeking markets outside the United States is accelerating. Many large franchisors have already spread throughout many foreign countries, but the big surge into foreign markets in the next few years will be by smaller and medium sized franchisors, marketing a variety of services and products.

For the past 10 years, numerous acquisitions in the franchising field by mostly non franchised corporations have taken place. Today, this trend is still continuing unabated, with foreign corporations entering the scene in greater numbers, especially in areas such as real estate, restaurants, and hotels and motels.

Canada, because of its proximity and similar customs, has been in the forefront of foreign franchise expansion in the United States, with Japan, and some European countries following close behind.

continued on page 132
charts on page 130

Many franchise operators have become more customer oriented and are offering amenities such as waiter/waitress or drive-in service.

TOP 25 FRANCHISE RESTAURANT SYSTEMS

Growth in system-wide sales, 1974-1979 (Sales in millions of dollars)

Franchise System	1974	1978	1979	'74-'79 % Change	'78-'79 % Change
McDonald's	$1,943.	$4,575.	$5,385.	177%	17.7%
Kentucky Fried Chicken**	925.5	1,393.4	1,669.	80	19.8
Burger King**	467.	1,168.	1,463.	213	25.3
Wendy's	24.2	783.	1,000.*	4,032	27.8
International Dairy Queen**	590.	823.2	926.	57	12.5
Pizza Hut	232.	702.	829.	257	18.1
Big Boy	484.*	660.*	750.*	55	13.6
Hardee's**	280.	564.6	750	168	32.8
Arby's	120.	353.	430.	258	21.8
Ho Jo's	300.*	425.*	425.*	42	0.0
Ponderosa**	183.	328.5	406.9	122	23.9
Church's	126.9	345.	405.7*	220	17.6
Bonanza	190.	346.	378.	99	9.2
Tastee Freez**	267.9*	353.8*	350.*	31	(1.1)
Long John Silver's**	45.5	283.4	342.	652	20.7
Sonic Drive-Ins**	52.1	291.7	336.	545	15.2
Burger Chef**	250.	301.	335.	34	11.3
Taco Bell**	71.1*	212.*	320.*	350	50.9
Western Sizzlin**	100.	217.3	278.1	178	28.0
Dunkin' Donuts	163.3	249.4	283.8	74	14.0
A & W	174.4	247.5	255.	46	3.0
Arthur Treacher's	48.3	191.5	226.3	369	18.2
Sizzler**	85.5	181.8	225.9	164	24.3
Perkins Cake n Steak	75.*	200.*	223.*	197	11.5
Pizza Inn	58.6	165.8	189.*	223	14.0

TOP 25 FRANCHISE RESTAURANT SYSTEMS

Growth in number of units, 1974-1979

Franchise System	1974	1978	1979	'74-'79 % Change	'78-'79 % Change
McDonald's	3,232	5,185	5,747	78%	10.8%
Kentucky Fried Chicken**	4,627	5,355	5,444	18	1.7
Burger King**	1,199	2,153	2,439	103	13.3
Wendy's	93	1,407	1,818	1,855	29.2
International Dairy Queen**	4,504	820	4,860	8	0.8
Pizza Hut	1,668	3,541	3,846	131	8.6
Big Boy	881	1,041	1,100	25	5.7
Hardee's**	924	1,125	1,231	33	9.4
Arby's	439	818	928	111	13.4
Ho Jo's	922	882	867	(6)	(1.7)
Ponderosa**	389	588	636	63	8.2
Church's	565	970	1,125	99	16.0
Bonanza	550	700	675	23	(3.6)
Tastee Freez**	2,215	2,022	2,000*	(10)	(1.1)
Long John Silver's**	208	1,001	1,007	384	0.6
Sonic Drive-Ins**	220	1,061	1,182	437	11.4
Burger Chef**	950	853	831	(13)	(2.6)
Taco Bell**	562	877	1,100	96	25.4
Western Sizzlin**	140	319	400	186	25.4
Dunkin' Donuts	780	956	1,007	29	5.3
A & W	1,899	1,500	1,306	(31)	(12.9)
Arthur Treacher's	250	730	777	211	6.4
Sizzler**	256	352	402	57	14.2
Perkins Cake n Steak	183	342	400*	119	17.0
Pizza Inn	336	743	760	126	2.3

Includes U.S. and foreign sales and units.

* *Estimated.*

***Fiscal year-end figures (remainder are calendar year-end figures).*

Source: Restaurant Business

continued on page 132

Circle No. 78→

Of major importance in the 1980's will be the issue of exclusive franchise territorial agreements-how much they can shield a franchisee from competition.

Franchising is probably the only form of business that creates more benefits for the importing country than for the exporting country, establishing local business units and providing jobs and income for the local population.

A persistent trend in the relationship between franchisors and franchisees is the formation of franchisee advisory councils which are usually initiated by the franchisor for the purpose of learning what franchisees want and need from the franchisor in order to grow.

The International Franchise Association has recently conducted a series of seminar sessions on this subject and has published a pamphlet on "How to Organize a Franchise Advisory Council."

In the regulatory and legislative arena, the trend is towards an increased number of bills in state legislatures to regulate business opportunities which by extension will also regulate franchising.

Of major importance in the 1980's will be the issue of exclusive franchise territorial agreements, and the extent to which such agreements can shield a franchiseee from competition of fellow franchisees.

Another object of state legislative attention will be those conditions under which a franchisor may lawfully terminate or refuse to renew an agreement with a franchisee.

Franchisors are required by federal law and 16 state laws to provide disclosure-of-information statements to prospective franchisees.

At the federal level, a trade regulation rule issued by the Federal Trade Commission, requiring the use of disclosure statements in the sale of franchises became effective October 21, 1979.

In the states of Ohio and Nebraska, franchisors are exempt from

continued on page 137

RESTAURANT FRANCHISING GROWTH IN SALES, 1974-1979 (SALES: $000)

Major Activity	Total Sales			Company-owned			Franchisee-owned		
	1974	1979*	% Change	1974	1979*	% Change	1974	1979*	% Change
Total	$10,350,567	$24,591,880	138%	$3,335,338	$7,816,198	134%	$7,015,229	$16,775,682	139%
Chicken	1,258,617	2,247,838	79	421,676	765,738	82	836,941	1,482,100	77
Hamburgers, Franks Roast Beef, etc.	5,879,428	12,961,887	120	1,437,901	3,038,923	111	4,441,527	9,922,964	123
Pizza	705,423	2,007,066	185	267,915	776,902	190	437,508	1,230,164	181
Mexican (Taco, etc.)	177,763	648,100	265	71,224	315,922	344	106,539	332,178	212
Seafood	152,616	667,098	337	64,862	260,633	302	87,754	406,465	363
Pancakes, Waffles	267,868	681,728	155	49,420	164,023	232	218,448	517,705	137
Steak, Full Menu	1,865,330	5,170,218	177	1,018,830	2,461,797	142	846,500	2,708,421	220
Sandwich and Other	43,522	207,945	378	3,510	32,260	819	40,012	175,685	339

** Estimated by survey respondents for 1979.*

Source: U.S. Dept. of Commerce, Restaurant Business

RESTAURANT FRANCHISING GROWTH IN NUMBER OF UNITS, 1974-1979

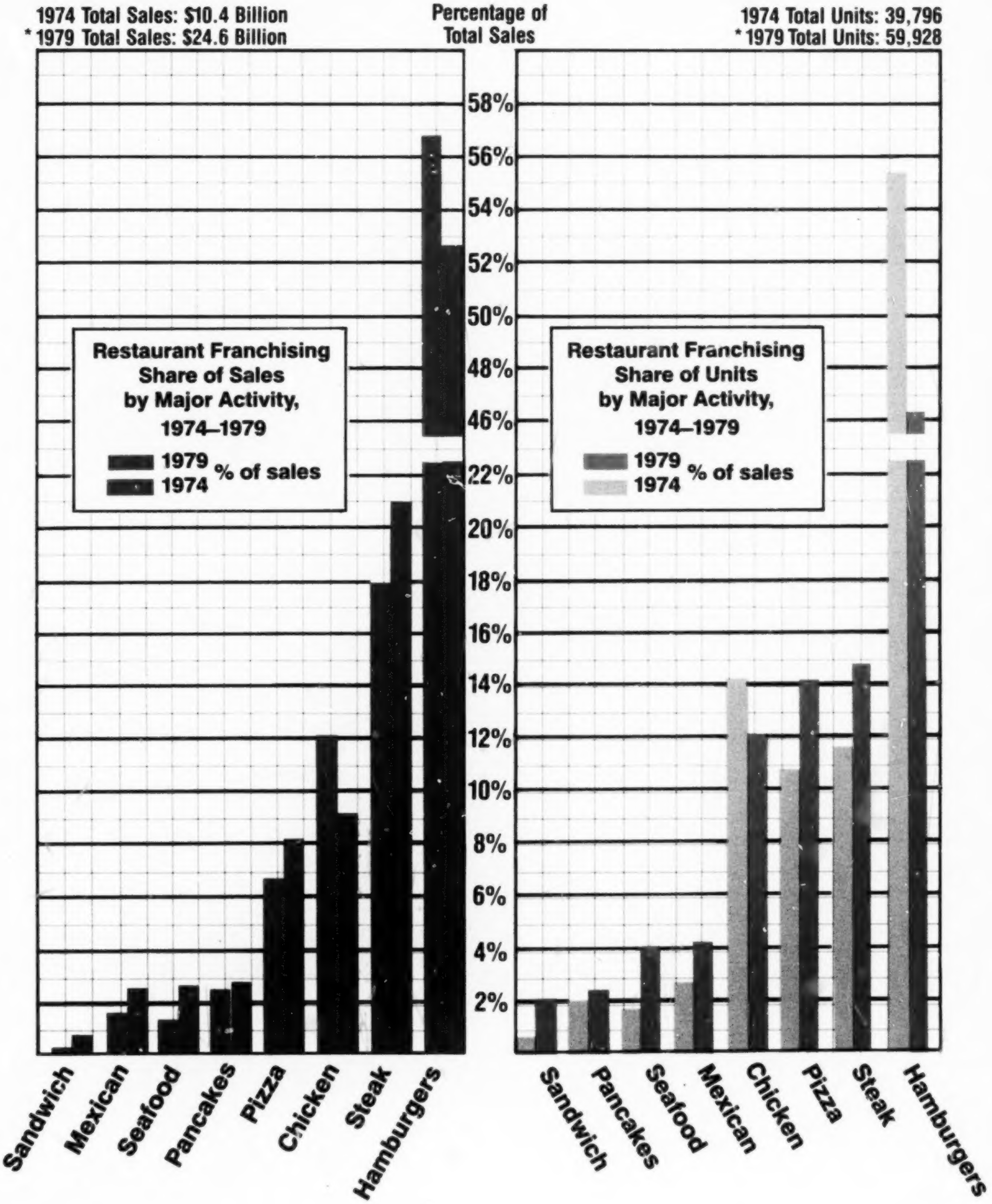
Major Activity	Total Units			Company-owned			Franchisee-owned		
	1974	1979*	% Change	1974	1979*	% Change	1974	1979*	% Change
Total	39,796	59,928	51%	10,115	16,781	66%	29,681	43,147	45%
Chicken	5,686	7,193	27	1,663	2,011	21	4,023	5,182	29
Hamburgers, Franks Roast Beef, etc.	22,069	27,833	26	3,425	5,077	48	18,644	22,756	22
Pizza	4,329	8,355	93	1,698	3,288	94	2,631	5,067	93
Mexican (Taco, etc.)	1,157	2,527	118	416	1,044	151	741	1,483	100
Seafood	759	2,444	222	325	901	177	434	1,543	256
Pancakes, Waffles	818	1,577	93	155	418	170	663	1,159	75
Steak, Full Menu	4,647	8,756	88	2,404	3,813	59	2,243	4,943	120
Sandwich and Other	331	1,243	276	29	229	690	302	1,014	236

** Estimated by survey respondents for 1979.*

Source: U.S. Dept. of Commerce, Restaurant Business

charts continued on page 134

Menu expansion and diversification continues to increase to meet mounting competition from other restaurant chains and to enlarge customer counts



continued on page 137

The franchised restaurant sector continues its amazing success and popularity with sales rising faster than that of all eating places in the United States.

state disclosure laws if they file under the FTC rule.

The FTC disclosure statement contains detailed information on some 20 different subjects that may influence a prospective franchisee's decision to invest in a franchise.

Such statement must be presented to the prospective franchisee at the earliest of the following times: (1) the first personal meeting for serious discussion concerning the purchase of the franchise; or (2) 10 business days before the signing of any franchise or related agreement; or (3) 10 business days before the prospective franchisee tenders payment to the franchisor.

While the upward surge in the cost of energy and the higher costs of capital will affect a good number of franchised businesses, the overall outlook for franchising is quite promising; expectations are that it will remain a popular and ever-widening instrument in the distribution process of goods and services. Over the past three years, the net number of franchisors joining the franchise system has grown about 9 percent annually; this trend is expected to continue.

Areas that bear scrutiny in the near future are food, real estate, sun tan centers, and hair salons.

Franchised restaurants of all types, including fast food, continue to be the most popular sector of franchising. Stepped up activity can be expected in such areas as boosting customer counts, introducing new products, store upgrading or modernization programs, and expanding breakfast menus.

Some conglomerates that own leading restaurant chains are pouring in capital in order to boost sales for stronger return on investment.

Restaurants

The franchised restaurant sector continues its amazing success and popularity with sales rising at a rate faster than that of all eating places in the United States.

Menu expansion and diversification continues to increase to meet mounting competition from other chains and to enlarge customer counts that have been adversely affected by higher food costs and periodic gasoline shortages.

The higher costs of cosmetic and structural construction changes are forcing fast food franchisors to reevaluate their investment in design, and cast their decor changes more and more in marketing terms.

Sales of franchised restaurants of all types reached $25 billion in 1979, up 17 percent over a year earlier; they are expected to jump about 18 percent, to $29 billion in 1980.

Franchised restaurants numbered 55,312 in 1978, increased to 59,928 in 1979 and are expected to rise to about 67,000 units in 1980.

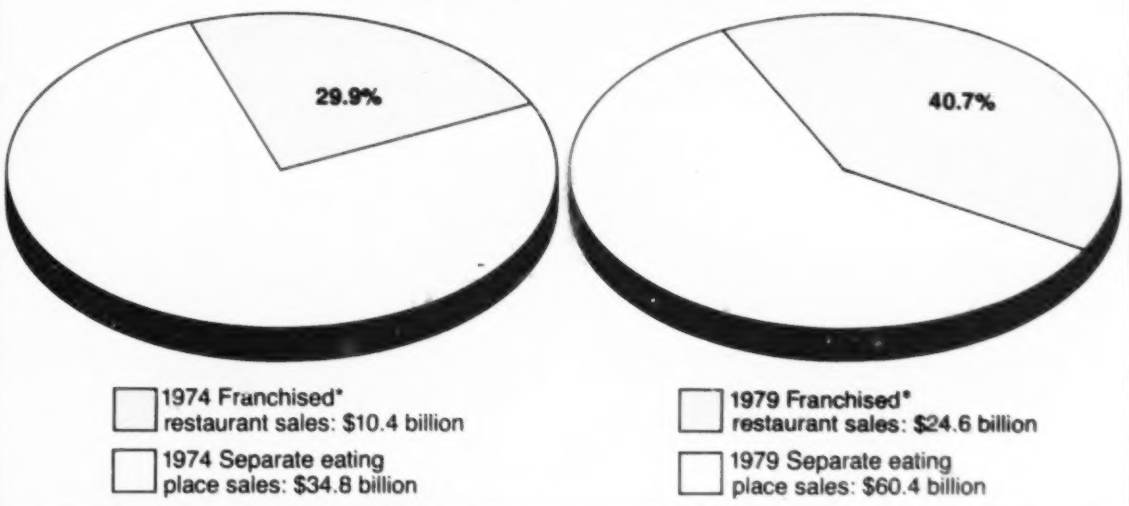
The highest concentration of franchised restaurants continues to be in California, Texas, and Ohio.

Employment in restaurant franchising was 1,367,637 in 1978 and accounted for 30 percent of total franchising employment, more than any other franchise sector. Further-

continued on page 138

FRANCHISED RESTAURANT CHAINS

Pocket more of the eating place market



Source: U.S. Dept. of Commerce, National Restaurant Assn., Restaurant Business

** Includes both company and franchised-owned unit sales.*

RESTAURANT FRANCHISING: 1978-1980

Major Activity	Firms	1978		
		Total Sales	Company-Owned	Franchisee-Owned
Total	388	$21,100,788	$6,733,545	$14,367,243
Chicken	31	2,034,012	653,977	1,380,035
Hamburgers, Franks, Roast Beef, etc.	117	10,862,837	2,589,465	8,273,372
Pizza	66	1,735,279	696,364	1,038,915
Mexican (Taco, etc.)	29	602,376	304,697	297,679
Seafood	11	563,827	216,486	347,341
Pancakes, Waffles	15	601,029	139,899	461,130
Steak, Full Menu	86	4,531,709	2,104,623	2,427,086
Sandwich and Other	33	169,719	28,034	141,685

** Data estimated by respondents.*

RESTAURANT FRANCHISING: 1978-1980

Major Activity	Firms	1978		
		Total	Company-Owned	Franchisee-Owned
Total	388	55,312	15,510	39,802
Chicken	31	6,708	1,870	4,838
Hamburgers, Franks, Roast Beef, etc.	117	26,038	4,648	21,390
Pizza	66	7,542	3,042	4,500
Mexican (Taco, etc.)	29	2,329	993	1,336
Seafood	11	2,297	899	1,398
Pancakes, Waffles	15	1,441	363	1,078
Steak, Full Menu	86	7,924	3,479	4,445
Sandwich and Other	33	1,033	216	817

** Data estimated by respondents.*

U.S. FRANCHISED RESTAURANTS, 1978-1980 SUMMARY

Item	1978	1979*	1980*	Percent Changes	
				1978-79	1979-80
Total number of establishments:	55,312	59,928	66,672	8.3	11.3
Company-owned	15,510	16,781	18,549	8.2	10.5
Franchisee-owned	39,802	43,147	48,123	8.4	11.5
Total sales of products and services: ($000)	21,100,788	24,591,880	28,990,499	16.5	17.9
Company-owned	6,733,545	7,816,198	9,111,129	16.1	16.6
Franchisee-owned	14,367,243	16,775,682	19,879,370	16.8	18.5
Total sales of products and services by Franchisors to Franchisees: ($000)	548,782	706,053	857,810	28.7	21.5
Merchandise (non-food) for resale	33,013	37,534	48,656	13.7	29.6
Supplies (such as paper goods, etc.)	170,889	231,017	287,379	35.2	24.4
Food ingredients	298,063	383,774	481,004	28.8	25.3
Other	46,817	53,728	40,771	14.8	-24.1

** Data estimated by respondents.*

During 1979, 17 franchisors with a total of 227 restaurants, 198 franchisee-owned, went out of business while 13 franchisors with a total of 168 restaurants, 84 franchisee-owned, decided to abandon franchising as a marketing method.

---

more, franchised restaurant employees accounted for 40 percent of all persons employed in eating places in the United States.

The entry into the restaurant franchising system mostly by small companies continued in 1978 with a net gain of 38 franchisors, bringing the total to 388.

During 1979, 17 franchisors with a total of 227 restaurants, 198 franchisee-owned, went out of business while 13 franchisors with a total of 168 restaurants, 84 franchisee-owned, decided to abandon franchising as a method of marketing.

Big franchisors with over 1,000 units each increased to 11 in 1978 from 8 a year earlier. These 11 franchisors had 27,750 restaurants, 50.2 percent of all franchised restaurants, and accounted for $11.4 billion in sales, 54 percent of the total. Compared with 1977, the 8 franchisors with over 1,000 units each, had 45 percent of the total units and 47 percent of the sales.

In an effort to boost traffic, franchised restaurants, especially fast food units, are still emphasizing

Sales ($000)

1979*			1980*		
Total	Company-Owned	Franchisee-Owned	Total	Company-Owned	Franchisee-Owned
$24,591,880	$7,816,198	$16,775,682	$28,990,499	$9,111,129	$19,879,370
2,247,838	765,738	1,482,100	2,563,755	899,485	1,664,270
12,961.887	3,038,923	9,922,964	15,521,446	3,595,801	11,925,645
2,007,066	776,902	1,230,164	2,364,317	903,182	1,461,135
648,100	315,922	332,178	766,692	377,652	389,040
667,098	260,633	406,465	772,794	299,624	473,170
681,728	164,023	517,705	834,135	216,290	617,845
5,170,218	2,461,797	2,708,421	5,883,140	2,779,340	3,103,800
207,945	32,260	175,685	284,220	39,755	244,465

Source: U.S. Dept. of Commerce

Number of Units

1979			1980		
Total	Company-Owned	Franchisee-Owned	Total	Company-Owned	Franchisee-Owned
59,928	16,781	43,147	66,672	18,549	48,123
7,193	2,011	5,182	7,826	2,197	5,629
27,833	5,077	22,756	30,651	5,695	24,956
8,355	3,288	5,067	9,434	3,577	5,857
2,527	1,044	1,483	2,913	1,183	1,730
2,444	901	1,543	2,704	966	1,738
1,577	418	1,159	1,770	491	1,279
8,756	3,813	4,343	9,771	4,180	5,591
1,243	229	1,014	1,603	260	1,343

Source: U.S. Dept. of Commerce

> Of the 388 restaurant franchisors surveyed, those featuring as their main activity hamburgers, franks and roast beef, continue to lead franchised food operations in sales and units by a wide margin, with sales of $10.9 billion.

DOMINANT TYPE OF SERVICE IN 1978

Major Activity	Self-service, Drive-in or Drive-thru	Waiter or Waitress Service
Of All Franchisors:	253	135
Chicken	30	1
Hamburgers, etc.	107	10
Pizza	38	28
Mexican	20	9
Seafood	9	2
Pancakes, Waffles	0	15
Steak, Full Menu	18	68
Sandwich and Other	31	2

CHANGES IN OWNERSHIP 1971-1978

	Units Repurchased for Company Ownership	Units Converted to Franchisee Ownership
1971	783	158
1972	413	145
1973	533	175
1974	477	198
1975	311	184
1976	280	413
1977	305	425
1978	321	312

Source: U.S. Dept. of Commerce.

menu diversification with the introduction of new products and breakfast lines, and stepped up promotion. Most companies, however, still concentrate on specific areas, such as hamburgers, hot dogs, roast beef, chicken, pizza, Mexican food, pancakes, steak, and submarine sandwiches.

Of the 388 restaurant franchisors surveyed, those featuring as their main activity hamburgers, franks, and roast beef, continue to lead franchised food operations in sales and units by a wide margin. For example, in 1978, 117 of these franchisors operated 26,038 units with sales of $10.9 billion.

Prior to 1976, the repurchasing of franchisee-owned restaurant units surpassed that of company units converted to franchisee-owned units.

This trend reversed itself in 1976 and 1977, but in 1978 units repurchased for company-ownership amounted to 9 more than those converted to franchisee-ownership as shown on page 139.

continued on page 140

In order to compete with other restaurant chains, many franchise operators have become more customer oriented and are offering such amenities as waiter/waitress service or self/drive-in/drive-thru service.

Most restaurants offer one type or the other, but 22 franchisors offer both types of services, although one type clearly dominates. Listed on page 139 are the principal types of service provided by franchised restaurant chains in 1978.

Faced with severe competition from fast food restaurants and with an increased tendency by consumers to eat away from home, the nation's grocery chains have come up with one stop centers through the introduction of expanded lines of frozen dinners, more prepared foods and delicatessen departments, while some supermarkets are even installing sit-down restaurants or opening restaurant chains.

Other food retailers

Convenience stores are actively searching for ways to compete with fast food restaurants by offering a wide variety of takeout foods such as hot and cold sandwiches, coffee, chicken, hot dogs, and an assortment of other dishes, precooked by the supplier and requiring only reheating or reconstituting in a microwave oven.

A growing number of these stores are realizing extra sales by installing gasoline pumps, usually self-service, on their premises.

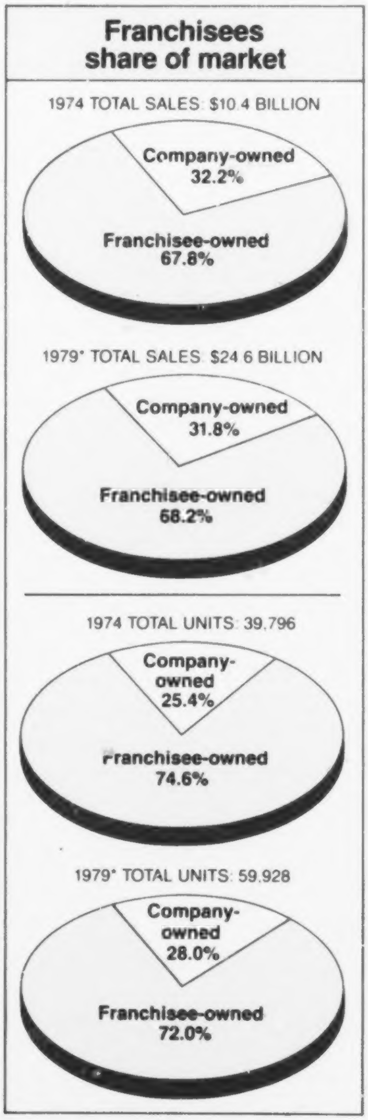
In addition, parking areas of convenience stores are becoming sites for car wash equipment and even auto repair services.

The growth of convenience stores during the next few years is expected to continue in small towns and suburban fringes of metropolitan areas. Sales moved up to $5.5 billion in 1979, 9 percent above a year earlier while the number of franchised establishments were reported to be 15,014. Further gains are expected in 1980; 9 percent in sales and 7 percent in number of establishments.

The retailing of food by specialty food shops, donut shops, ice cream stores, coffee services, and others amounted to $6.5 billion in 1979, 6 percent over the previous year; sales in 1980 are expected to reach $7.4 billion.

The number of establishments in 1979 was 15,783, expected to rise to 17,180 in 1980.

Big franchisors with over 1,000 units each increased to 11 in 1978.



Franchisees share of market

** Data estimated by respondents*
Source: U.S. Dept. of Commerce, Restaurant Business

Two of the better known groups in this category are donut shops and ice cream stores.

In 1978, there were 17 franchisors of donut shops providing jobs for 32,874 workers.

Sales and establishments for donut shops for the years 1978-80 are listed on page 126.

The sales and units of the 24 franchisors of ice cream stores, who in 1978 created employment for 35,060 persons, are listed in the table on page 125.

International markets

Rising disposable income, improved communications and transportation, and the growing demand for consumer goods and services in many foreign countries are the underlying reasons for the unparalleled interest in foreign markets of growing numbers of U.S. franchise companies.

The growth rate in number of foreign units continues to far exceed that of domestic expansion. In 1978, the number of such units grew by almost 21 percent while in 1977 it grew by 15 percent. The Department of Commerce survey reveals that 266 franchising companies operated 17,156 outlets abroad in 1978 compared to 156 with 3,365 outlets in 1971.

The form of entry into foreign markets varies considerably, with many firms using more than one method in conducting foreign operations.

Of the 266 franchisors doing business in foreign countries in 1978, 239 sold their outlets to franchisees either directly or through a master licensee who received the right to develop the franchisor's system in a specific country or region, 24 operated joint ventures, and 33 had some company operated units.

Twenty-two of these companies derived 10 percent or more of their income from foreign operations, 19 firms received between 5-9 percent, 75 between 1-4 percent, and 150 received less than 1 percent.

continued on page 142

The highest concentration of franchised restaurants continues to be in California, Texas and Ohio while Illinois, Michigan and Florida come in second.

U.S. FRANCHISED RESTAURANTS*
Number of Establishments by State: 1978

State	Total	Company-Owned	Franchisee-Owned
Alabama	944	249	695
Alaska	47	0	47
Arizona	682	209	473
Arkansas	595	150	445
California	4,844	1,308	3,536
Colorado	845	226	619
Connecticut	457	109	348
Delaware	84	12	72
District of Columbia	72	30	42
Florida	2,050	689	1,361
Georgia	1,641	665	976
Hawaii	143	61	82
Idaho	214	37	177
Illinois	2,604	690	1,914
Indiana	1,673	448	1,225
Iowa	1,056	142	914
Kansas	770	203	567
Kentucky	1,061	248	813
Louisiana	761	231	530
Maine	115	26	89
Maryland	566	171	395
Massachusetts	576	170	406
Michigan	2,108	506	1,602
Minnesota	1,084	284	800
Mississippi	553	71	482
Missouri	1,141	405	736
Montana	182	3	179
Nebraska	483	151	332
Nevada	197	64	133
New Hampshire	120	24	96
New Jersey	914	219	695
New Mexico	336	61	275
New York	1,883	628	1,255
North Carolina	1,155	257	898
North Dakota	157	12	145
Ohio	3,070	1,033	2,037
Oklahoma	1,051	404	647
Oregon	631	145	486
Pennsylvania	1,543	386	1,157
Rhode Island	104	15	89
South Carolina	668	189	479
South Dakota	176	17	159
Tennessee	1,220	369	851
Texas	4,718	1,713	3,005
Utah	311	75	236
Vermont	42	0	42
Virginia	1,165	333	832
Washington	777	211	566
West Virginia	386	94	292
Wisconsin	1,054	237	817
Wyoming	134	13	121
TOTAL	49,163	13,993	35,170

** Represents 89 percent of total establishments. The remaining 11 percent were unable to provide a geographic breakdown for this report.*

Source: U.S. Dept. of Commerce.

INTERNATIONAL RESTAURANT FRANCHISING IN 1978
Location and Number of Establishments*

Major Activity	U.S. Firms	Total	Canada	Mexico	Caribbean	Europe		Asia		Australia	Other**
						United Kingdom	Other	Japan	Other		
Total	70	3,340	1,196	84	150	454	164	590	120	384	198
Chicken	8	1,014	87	48	66	259	20	185	31	186	132
Hamburgers, etc.	12	1,726	831	12	55	182	142	298	55	108	43
Pizza	6	268	53	6	9	7	2	50	30	89	22
Mexican	4	18	0	0	17	0	0	0	1	0	0
Seafood	3	56	53	0	0	0	0	3	0	0	0
Pancakes, etc.	3	8	6	0	0	0	0	1	1	0	0
Steak, etc.	15	250	166	18	3	6	0	53	2	1	1
Sandwich, etc.	0	0	0	0	0	0	0	0	0	0	0

** Includes company-owned, franchisee-owned, and joint ventures.*
*** Includes South America, Africa, New Zealand, and Central America.*
Source: U.S. Dept. of Commerce, Bureau of Industrial Economics.

Canada is the dominant market for U.S. franchisors, with 41 percent of all U.S. foreign franchised outlets located there. A total of 187 franchising firms with 7,048 units operated in Canada in 1978, predominately in non-food retailing (1,350), automotive products and services (1,270) and fast food restaurants (1,196).

Japan continues to be the second largest market for U.S. franchisors with a total of 2,632 units of which 75 percent represent various food categories such as fast food restaurants, donut shops, ice cream stores, and convenience food stores.

The United Kingdom ranks third with 1,976 outlets, while 2,145 are located in all of continental Europe.

An additional 80 U.S. franchisors are now planning to extend their franchising operations to foreign markets by the end of 1980; 27 of these are fast food franchisors.

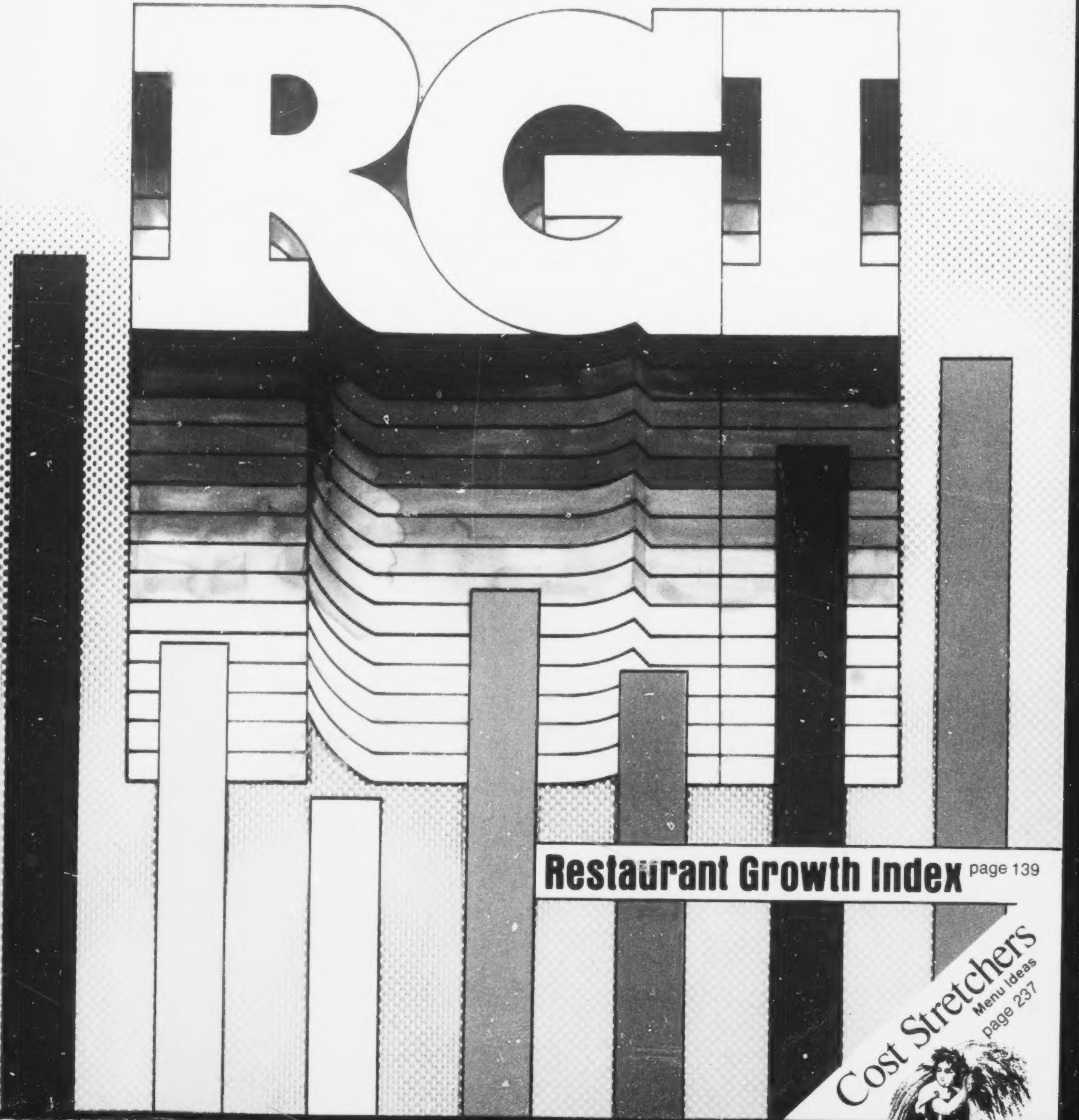
Retail sales of all firms associated with the franchise system—franchisee-owned and company-owned—reached an estimated $279 billion in 1979, and accounted for almost 32 percent of all retail sales in the U.S.

In 1980, retail franchising is expected to reach $299 billion, a rise of 7 percent over 1979. Retail franchising accounts for 89 percent of all franchising gross receipts. ☐

A BILL PUBLICATION FAST FOOD®

Restaurant Business

SEPTEMBER 15, 1980



Restaurant Growth Index page 139

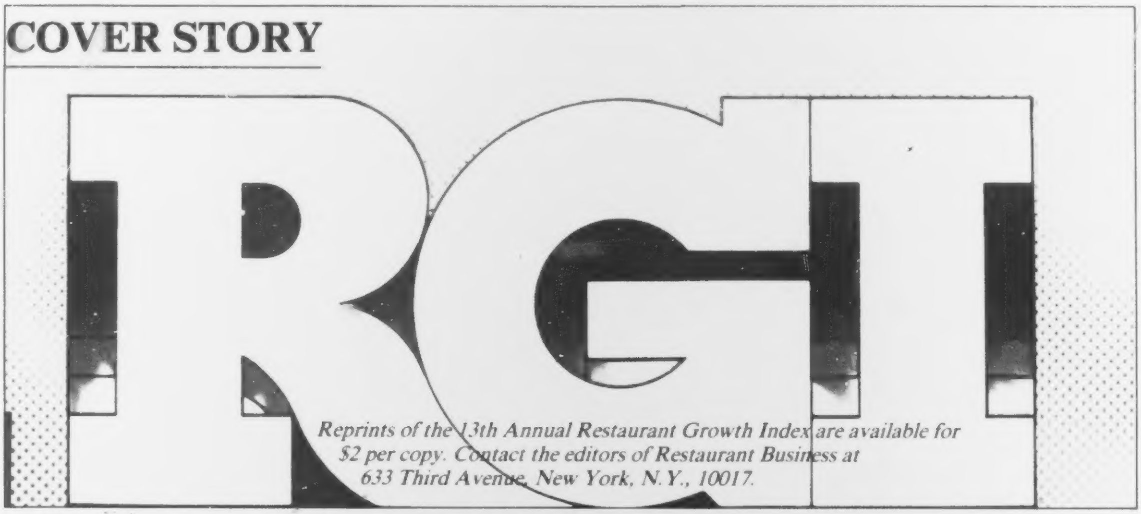
Cost Stretchers
Menu Ideas
page 237

Restaurant Business

SEPTEMBER 15, 1980 VOL. 79, NO. 12

Contents

COVER STORY



Reprints of the 13th Annual Restaurant Growth Index are available for $2 per copy. Contact the editors of Restaurant Business at 633 Third Avenue, New York, N.Y., 10017.

13th Annual Restaurant Growth Index—This comprehensive market report of the foodservice industry includes trends, sales, purchase and growth data for 8 major market and 36 submarket segments plus an exclusive statistical profile of the country's 300 Metro areas and 214 ADIs a regional summary and Top 100 Market Rankings 139

MENU IDEAS

Tasty cost stretchers—Rising food costs have forced many restaurateurs to reevaluate their menus. Food editor Kathleen Kenny offers several alternatives that maintain profits without sacrificing quality 237

FEATURES

Philadelphia's restaurant renaissance—A sampling of the City's current restaurant boom .. 62

Number One Beale Street—This Memphis, Tennessee restaurant has recaptured its former turn of the century atmosphere adding new life to a struggling downtown area .. 90

A management system for the 1980s-Part II—A major consulting firm continues its report on strategic planning for foodservice companies 103

What business cycles say—A look at a recurring economic pattern that indicates when good business conditions will return 116

Flowers add a fresh touch—Many restaurateurs find floral decor enhances dining atmosphere at any budget 124

DEPARTMENTS

Energy Tips 2

Executive Editor's Desk 12

Editorial—The popularity of eating light 16

Foodservice Calendar—Upcoming events of interest 18

Up Front 22

Menu Planners Guide 42

Restaurant Stirrings 59

Worth Writing For—Publications to help you on the job 60

Book Review 68

Drafts, Carafes & Spirits—Creative cocktails for happy hours 75

Bar Management Guide—The newest in spirits, mixers and bar equipment 80

Management—An exercise in reorganization by James L. Hayes 86

Management Psychology—Middle-management burnout by Mortimer R. Feinberg, Ph.D. 98

The Tax Bite—Shareholder loans: a trap for the unwary by Irving Blackman 224

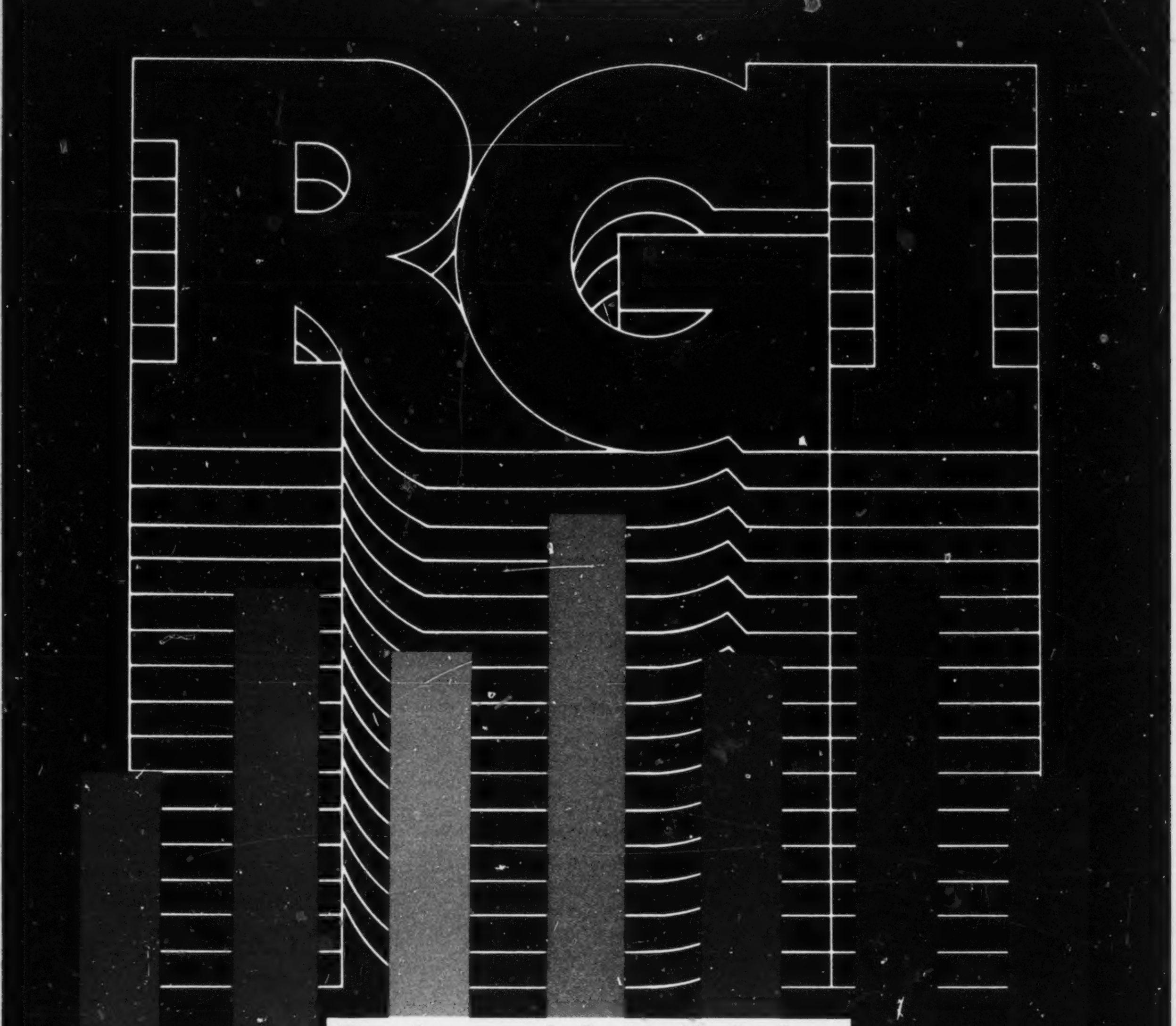
Buyer's Circle—The latest in foodservice equipment 228

Design Marketplace 245

Raising Your Equipment I.Q.—Contemplating your napery ... 246

Operations Management—Made in America by Leon Gottlieb 266

Cover illustration by Joan Dworkin



Restaurant Growth Index

Our 13th Annual Restaurant Growth Index is divided into two major sections. First comes our market-by-market study of the major trends in the industry as well as sales, purchase and growth data for 8 major market and 36 sub-market segments. Next, comes our statistical profile of the country's 300 metro areas and 214 ADIs.

13th Annual Restaurant Business Growth Index

In this year's edition of the *Restaurant Business* Growth Index, we provide "hard data for 1978", best estimates for 1979 (the last full year), and a five-year projection to 1984 for planning purposes.

Foodservice sales in 1979 increased 9.1 percent to a total of $102,854,000,000. This is a conservative figure as it does not include a commercial equivalent dollar volume for military feeding or school foodservice (we count only cash paid by students as actual sales); and it does not include much of vended soft drinks or vended candy. If we adjust our figures to reflect the higher commercial equivalents and include additional vended categories, we would show industry sales of $117,083,000,000, an increase of $14,229,000,000 or 13.83 percent higher than our published figure. In our view, these adjustments are not valid because they produce a result which is, in turn, inflated (military and school feeding), not comparable (candy sales are not included in the Census of Retail Trade's merchandise line for meals and snacks or alcoholic beverages), or in the case of bottle vended and can vended soft drinks, through a restricted distribution network.

For 1984, we estimate foodservice sales of $166,291,000,000. This is a gain of $63,437,000,000 for the five-year period. This translates into a total growth of 61.68 percent or a compound annual growth of 10.08 percent.

We have added calculations of real growth (actual sales growth adjusted for the increase in menu prices and for wholesale prices).

With inflation factored out, total industry sales declined 1.9 percent in 1979. And on a real growth basis, sales in 1979 dollars will increase only $4,787,000,000 by 1984; a compound annual real growth of 0.91 percent. Stripping away the inflationary mask reveals that the real total growth is not 61.68 percent for the five year period but only 4.65 percent. It is our judgment that the industry will grow under its potential since inflation has caused an increase in the fixed charges against income. Because of the increase in fixed charges, such as taxes, and energy, there is relatively less income for eating out and the softness in customer counts bear this out.

If the inflation rate were reduced by three points it would translate into a direct increase in real growth because people now are not going out to eat as much as they would like. The potential is there for four percent real compound annual growth. The dollar difference in real terms between potential real growth and what we are forecasting is $17,497,000,000. In other words, the industry could grow 4.6 times current projections in real terms.

Another way to look at it: We are forecasting that the industry will achieve only 21.5 percent of its next five year's potential. We estimate that menu price increases will grow at a 9.29 percent compound annual rate. Wholesale food prices will increase at a slower 7.95 percent compound annual rate, over the five-year period.

We use compound annual growth rates to express change in our projections because they are mathematically correct. To illustrate, if we multiply the 1979 industry total by 1.1008 and then multiply the result by 1.1008 and did this procedure three more times we would obtain the 1984 result of $166,291,000,000. If this concept is applied using 12.34 percent the average annual figure, (61.68 percent total growth divided by five years), the result would be $184,032,000,000 in 1984.

Although personal income is projected to grow at a compound rate of 11.4 percent through 1984, we see a rate below that for the commercial/contract sector due to: the high rate of unemployment in 1980 and 1981, high inflation, increase in fixed charges against income such as mortgage rates, debt service, gasoline, etc. The institutional/internal segment is driven by population changes in the institutions which are flat to slightly negative.

This summary was prepared by RBI Research and Malcolm Knapp, president of Malcolm M. Knapp, Inc., New York. The 1978 sales and purchases data used in this eight major market and 36 sub market growth report were prepared by Mr. Knapp under contract with the National Restaurant Association. Estimates for 1979, and projections to 1984 were prepared specifically for Restaurant Business *Magazine.*

There are some fundamental changes occurring in the marketplace.

Travel has changed dramatically in just the last year. In 1979, the lack of gasoline kept people from driving and to some extent transfered them to the airplane.

In 1980, the cost of gasoline has reduced driving by some seven percent and has brought the prior year's tremendous gain in air traffic to −2.8 percent for domestic trunks for the first 6 months of 1980 versus the first 6 months of 1979. And in 1979, the first 6 months were up 14.8 percent over 1978. Airline fuel is double what it was a year ago.

This will have substantial effects on air travel and on air travel patterns. We may see patterns shifted to where the best promotional value exists.

The eating place segment is dealing with the cost pressures that changed the price points through the use of promotions, changing menu items and multi-tier pricing. What clearly is happening is that people are making large scale changes in their behavior very quickly and the operators must be prepared to go with the flow of events.

The issue on which all consumers are focused is the concept of value. Everyone talks about it, and has for several years. This year I think that the most critical element in the value perception is service. The food must be adequate but *the service must be great.* In these confusing and uncertain times people are very sensitive to the way others behave towards them. Partly because of the uncertain times and the pressures of the flattened standard of living, the concept of *volatility* is one which will enter our business lives in the next five years.

We are going to see more of the behavior that we saw in March of 1980 when the reaction of people to the unexpected credit curb was a very sharp curtailment of almost all purchasing activity. This was followed by a substantial recovery in April as people got bored with their overreaction. People are cutting back on food and eating out but they don't want to. This will give rise to a pulse effect where people will behave like dieters. They will really cut back and then go on a binge.

Summary

	1978 Sales ($000,000)	1978 Purchases ($000,000)	1978 vs 1977 % Growth	1979 Sales ($000,000)	1979 Purchases ($000,000)	1979 vs 1978 % Growth	1984 Sales ($000,000)	% Compound Annual Growth	Real % Compound Annual Growth
Total Market	94,309	43,931	10.4	102,854	47,226	9.1	166,291	10.1	0.9
Commercial/Contract	79,366	32,670	10.7	86,568	35,224	9.1	142,307	10.4	1.1
Institutional/Internal	14,318	9,611	9.1	15,599	10,471	8.9	22,962	8.0	0.1
Military*	624	1,650	9.1	687	1,531	10.1	1,022	8.3	0.3
Major Market Segments									
Eating/Drinking places	61,293	23,052	10.6	66,799	25,070	9.0	109,934	10.5	1.1
Hotel Motel Market	5,411	1,913	12.4	5,931	2,097	9.6	9,683	10.3	0.9
The Transportation Market	1,501	670	14.5	1,725	771	14.9	2,912	11.0	2.6
The Leisure Market	2,007	776	11.8	2,225	860	10.9	3,904	11.9	2.4
The Retail Market	3,133	1,199	8.5	3,417	1,307	9.1	5,520	10.1	0.7
The Business Industrial Market	5,871	6,635	10.9	6,317	7,262	7.6	10,188	10.0	0.7
The Student Market	5,213	4,193	8.4	5,630	4,517	8.0	8,173	7.7	−0.2
The Health Care Market	8,105	4,015	9.3	8,887	4,407	9.6	13,195	8.2	0.2

Wholesale price index will increase at 7.95% compound annual rate through 1984.
Menu price index will increase at 9.29% compound annual rate through 1984.
* *Sales data based on post exchanges, and clubs; purchase data based on post exchanges, clubs, and troop feeding.*

Separate Eating & Drinking Places

Separate eating and drinking places, which account for the lion's share of both purchases by and sales in the total foodservice industry, has experienced a slowing growth rate over the past two years. In 1978, the separate eating and drinking place market grew at a rate of 10.6 percent versus 10.8 percent in 1977. And its growth rate fell to 9.0 percent in 1979.

Over the five-year period of 1979 to 1984, compounded annual growth is estimated at 10.5 percent. But, with inflation factored out, real compounded annual growth is reduced to 1.1 percent—still an impressive rate but nowhere near the two to three percent annual growth rates of the 1970s.

The basic problems confronting the separate eating place market today are familiar ones: soft customer counts, consumer resistance to increased menu prices, escalating labor expenses and high food costs. These problems are being confronted and attacked by management in a variety of ways: menu diversification, stepped up marketing and promotional activities, multi-tiered menu pricing, trimming labor costs and controlling food expenditures, all while still maintaining value and quality.

An additional factor is the increased competition that eating places face from the food-at-home market. For the past several months away-from-home food prices have increased at a much higher rate than at-home food prices. Also, the growing availability of take-out food from retail food establishments—gourmet shops, convenience stores, supermarket delis, etc.—especially in urban and suburban areas, is impacting on the market.

ILLUSTRATIONS BY JAYE MEDALIA

Personal disposable income has been cut as a result of inflation, high unemployment and the general recessionary state of the economy. Therefore, the separate eating place market is being challenged to re-establish its positive price/value perception in the eyes of today's frugal consumer.

Although Carter administration economists claim the recession won't last into 1981, other experts see an extended period of economic stagnation. As in the past, the restaurant business is one of the first segments of the economy to feel the effects of an economic downturn, but it is likely to be one of the first to bounce back as discretionary income increases.

In order to deal with the rapidly changing market conditions, the separate eating place market is now entering a period of retrenchment and re-evaluation. Fearing that customer counts will remain soft and customer loyalty will continue to erode, the large chains have embarked on plans to: diversify menus, change decors to attract a wider variety of patrons, and employ new marketing techniques—sweepstakes, games, entertainment, increased advertising and promotional expenditures—to build customer trial and frequency.

Some analysts feel that a fundamental change is occurring in the eating place market which will radically alter the way the industry does business. The consumer is searching for even more value for his money.

Consumers are still eating out, but less frequently. And, when they do eat out, they demand better food, attentive service and pleasant surroundings. But they are willing to pay the price if they feel they are receiving the value for their money. In short, improving the price/value perception of one's restaurant by the consumer will become even more crucial to success in the 1980s.

The facts of the demographic picture are hard to ignore. According to the *1980 Forecaster's Handbook* (See population chart on page 172), the 25-34 year old age group will increase 19 percent by the end of 1990, while the 35-44 group will increase by a phenomenal 51 percent during the same time period. In addition, the 18-24 year old age group will decline by 13 percent. The market is becoming older and more sophisticated, and is therefore more demanding of value for its money. A huge proportion of this population will have grown up in the "fast food era," are used to eating out regularly and are unlikely to give it up. In addition, the increased number of women in the workplace is responsible for more dining away from the home.

This changing market has new demands and requirements to be met. Some restaurateurs are already witnessing the demise of the traditional three meal period pattern. The other meal periods becoming popular include: mid-morning, late afternoon and late night.

A trend towards the consumption of the major meal of the day has also been noticed. The popularity of all-day (and night) menu items such as quiche, salads, crepes and omelettes attest to changing tastes and dining patterns. More and more establishments are now offering these versatile menu additions along with their traditional breakfast, lunch and dinner items.

Although people may *want* to eat out more frequently, the current state of the economy has had an incredible impact on people's purchase behavior patterns. This was apparent during the exaggerated credit crunch in March and April of 1980. As soon as people became frightened that there were no longer those reserve credit accounts or overdraft protection at their banks and that percentage payments on credit cards would increase, consumer spending decreased.

As a result of these factors, the major restaurant chains and the independent restaurant segment are changing their marketing stategies, pricing structures, menu and decor packages to keep consumers interested and to make them feel that the money they spend on food away from home is worth the price they must now pay.

The phenomenal success of breakfast programs in such innovative chains as Hardee's and McDonald's has spawned a whole new market for the fast food industry. With breakfast accounting for up to 20 percent of sales in some Hardee's units, it is no wonder that the testing of breakfast has been begun by A & W, Wuv's, Popeye's, Burger King, Wendy's, Burger Chef and Gino's. The disadvantages of instituting a breakfast program include increased marketing and promotional support costs and the fear that breakfast may interfere with traditional menu items sales.

Other chains, most notably Burger King, have tested and introduced "dinner" fare in an effort to attract more patrons. The popularity of Burger King's specialty sandwich line of fish, chicken, steak and ham-and-cheese (and which will include roast beef by the end of the year) has not been lost on the other chains. McDonald's has been testing its McChicken sandwich and systemwide introduction is soon expected. Wendy's, which has always had a limited menu, is expanding its offerings to include a salad bar, chicken sandwich and "child-size" hamburger.

Long dependent on their traditional menu items, the pizza giants are also discovering that they too must diversify to remain competitive. Pizza Inn, among others, has introduced a deep-dish Sicilian pizza, partly in response to the regional chains such as Godfather's and Mr. Gatti's (See Restaurant Business, August, 1980.)

Pizza Hut is allocating substantial advertising resources to promote its new pan pizza and the company is testing a new pizza unit called Solo's Express. This concept is designed to compete with the traditional fast food chains for the lunch trade. Solo's offers individual six-inch pizzas and "90 second" service.

Shakey's is currently expanding its menu to feature such new items as nachos and deep-fried mushrooms, zucchini and okra and is supporting it with a marketing campaign promising "pizza, pasta and more."

The mature chains, in particular, have found that they must expand their limited menus somewhat if they are to appeal to more customers and hang on to the patrons they already do have. The next big craze? Possibly ribs—the low cost of pork and the "fun" aspect of eating ribs may combine to make ribs the menu star of the 1980s. Witness the phenomenal success and growth of Tony Roma's (Restaurant Busi-

Separate Eating and Drinking Places Sales

1978: $61,293,000,000 +10.6% Sales Growth

1979: $66,799,000,000 +9.0% Sales Growth

1984: $109,934,000,000
+10.5% Sales Growth Compound Annual
+1.1% Real Growth Compound Annual

	1978 Sales ($000,000)	1978 Purchases ($000,000)	1978 vs 1977 % Growth	1979 Sales ($000,000)	1979 Purchases ($000,000)	1979 vs 1978 % Growth	1984 Sales ($000,000)	% Compound Annual Growth	Real % Compound Annual Growth
Separate eating places	54,615	20,617	11.4	59,743	22,497	9.4	101,266	11.1	1.7
Full menu restaurants and lunchrooms	29,186	11,381	9.1	31,460	12,268	7.8	51,090	10.2	0.8
Social caterers	721	292	4.1	745	302	3.3	1,007	6.2	−2.8
Public cafeterias	1,879	712	6.4	1,996	756	6.2	3,080	9.1	−0.2
Limited menu restaurants	21,757	7,889	15.1	24,356	3,792	11.9	44,097	12.6	3.0
Ice cream, frozen custard stands	1,072	343	16.6	1,166	379	10.6	1,992	10.9	1.5
Bars and taverns	6,678	2,435	4.0	7,056	2,573	5.7	8,668	4.2	−4.6
Total	61,293	23,052	10.6	66,799	25,070	9.0	109,934	10.5	1.1

ness Magazine, April, 1980).

Menu diversification is only one way to try to bring in new business and encourage repeat customers. New decor and design packages have been introduced at every major chain. The clean, fresh and natural "California" look has swept the fast food industry and also numerous independent restaurants. The new decor packages were prompted in part by changes in menu prices. "You can't serve sandwiches which cost upwards of $2.00 in cheap surroundings," says one marketing executive for a major chain. "You get to the point where customers resist and won't spend that kind of money in that type of environment anymore. So, you change. You have to."

A Burger King built recently in Providence, Rhode Island was converted from a former men's store by the Jan Company, a Burger King franchisee. Called "The Banker's Quarters," the unit is almost elegant, including restored antiques which help to create a masculine, homey atmosphere. "It is the trend for the fast food establishment of 1980s and 1990s," says Nicholas W. Janikies, president of Jan Company. "People expect more now for their money, and that all starts with the facilities."

Hillary's, at Water Tower Place in Chicago, features an octagonal bar area.

The direction marketing has been taking is also indicative of changes sweeping the restaurant industry, in line with the changing demographics of the United States. While McDonald's continues to sell the kids, others have begun to emulate Wendy's attack on the older age groups, a marketing theme which indicates awareness of the increased price/value perceptions on the part of a more mature market. Jack-in-the-Box recently began a marketing campaign featuring the destruction of its well-known clown, a symbol of its former push for the children's market. Demographics show, and savvy advertisers realize, that the adult market is where it's at. In addition, regional advertising has become a more popular marketing tool. Coupons are still being used extensively.

Lum's, the Florida-based chain now controlled by Frederich Jahn's Wienerwald empire, has employed direct-mail advertising in conjunction with the introduction of Wienerwald chicken in Lum's units. According to Baird Thompson, director of communications for Lum's, the response to the mailings, offering two-for-one specials, has been "way above expectations."

Because of the tight credit market and the ever-decreasing amount of prime real estate available for restaurant operations, unit construction is down. This will be partly responsible for a slower rate of growth over the next few years. To compensate for it, customer counts in already existing units must be bolstered for restaurants to maintain their traditionally high annual growth rates. Additions to existing units help in this respect, as does the construction of drive-through windows. When new units are built, it is done in already existing markets rather than in new areas. Building in older markets allow establishments to piggyback on already-existing customer recognition and advertising.

Burger King has introduced Burger Stop, a strictly take-out version of the larger store, which allows the chain to increase sales with minimum of new construction. Drive-through windows added to existing units accomplishes much the same purpose.

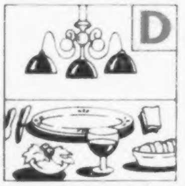
The international market is still gaining in importance for the major fast food chains. McDonald's, Pizza Hut and Kentucky Fried Chicken have all made firm commitments to increase their unit openings in foreign markets.

In 1979, foreign operations accounted for 17 percent of McDonald's system-wide sales and 15.5 percent of systemwide units. According to Steven J. Barnes, chairman of McDonald's International Division, "In 1980, we expect to open around 200 restaurants in markets outside the United States."

And foreign restaurants continue to make their presence felt in the United States as well. Wienerwald has gained a significant toe-hold with the purchase of Lum's and IHOP. And a number of Canadian and Japanese chains continue to penetrate the American market.

Today, separate eating places are fighting against customer resistance, high prices, inflated energy, labor and food costs and the food-at-home market. To succeed in the 1980s will require ingenuity and perseverence by creative and professional management.

The Hotel/Motel Market



During the 70s, hotel operators were generally able to adjust to the impact of inflation. Occupancy rates rose to a national level of 73 percent in 1979 (high above the break-even point of 58.5 percent) and during the latter part of the decade, dollar profits also rose substantially.

According to Laventhol and Horwath's 1979 U.S. Lodging Industry report, the hotel/motel industry entered this recession in much better shape than in 1974.

This is partially attributable to the high level of demand experienced during the past three years. And despite the rapid rise of energy and labor costs, the industry has enjoyed fairly good profits.

Another factor benefiting the hotel/motel market was the more even balance between supply and demand. Previously, there were too many rooms and too few customers. However, in the current market, there has been a slowdown in supply growth due to inflation, the cost of capital and the cost and availability of prime sites. This should work in the favor of those lodging chains which already have a large number of rooms in place.

In 1979, total lodging industry sales were estimated at $22.3 billion. Foodservice sales in this segment reached $5.9 billion—an increase of 9.6 percent over 1978 sales. However, the growth in food sales continues to lag behind room sales growth (12 percent in 1979).

Energy has had a two-fold impact on the industry and its sales. First the skyrocketing cost of energy has resulted in intensive exploration of conservation methods.

Second, and more important, the rising cost of fuel and fluctuations in oil availability had a negative impact on travel in 1979. Although there has been no fuel shortage as severe as the one experienced in April-July '79 (when some reported sales drops of 25-35 percent), the higher cost of travel and the downturn in the economy make the short-term outlook bleak. A curtailment of pleasure travel is expected.

"The east is still strong," says Joseph Gardner, Hilton Hotel's senior vice president of food and beverage. "But there has been a fall off in occupancy in some of our resort hotels. Hawaii is especially soft."

Like the resort business, convention catering is also slightly off. The downturn is evidenced by lower number of attendees, fewer convention participants bringing spouses along, and a cutback in the size of the foodservice package ordered. For example, a company may once have sponsored a complete banquet but today confines convention catering to a cocktail party and hot hors d'oeuvres.

"There has been a slight decrease in convention business," says Eric Nussbaum, food and beverage director of the International Hotel in Baltimore, Maryland. "A company that once spent $6 a head for 50 people now spends $10 a head for 20 people. Also, companies are sending only their top management rather than top *and* middle management to conventions."

Hotel/Motel Market: Foodservice Sales

1978: $5,411,000,000 +12.4% Sales growth

1979: $5,931,000,000 +9.6% Sales growth

1984: $9,683,000,000
- **+10.3% Sales Growth Compound Annual**
- **+0.9% Real Growth Compound Annual**

	1978 Sales ($000,000)	1978 Purchases ($000,000)	1978 vs 1977 % Growth	1979 Sales ($000,000)	1979 Purchases ($000,000)	1979 vs 1978 % Growth	1984 Sales ($000,000)	% Compound Annual Growth	Real % Compound Annual Growth
Hotels	3,016	1,053	12.6	3,312	1,156	9.8			
Motor hotels	742	259	13.0	813	284	9.6			
Motels	1,653	601	11.7	1,806	657	9.2			
Total	5,411	1,913	12.4	5,931	2,097	9.6	9,683	10.3	0.9

According to Laventhol & Horwath, business people, conventioneers and government officials make up nearly two-thirds of the hotel/motel market's clientele. As a result, many marketing efforts are directed towards this group.

Hilton's new "Fitness First" campaign is designed to appeal to the health-conscious traveling executive.

The concept, which is being tested in 100 Hilton coffee shops, features a menu that includes lighter foods and lists the calories. A full color recipe booklet and an exercise program developed by Olympic marathon runner, Frank Shorter, are also available.

"We altered our previous menu concepts and changed to the Fitness First campaign because we saw this as responsive to the trend in national dining habits," says Gardner. "Since so many people are health conscious these days we are providing our own healthful alternative."

Gardner also notes that if the program gets a favorable response, Hilton may run "a campaign a year geared to what people want on a national basis."

At the Cleveland Marriott Inn/Airport, the business traveler who wants a quiet drink is in for a surprise. Shennanigan's, the hotel's lounge, is "more of an entertainment complex than just a hotel bar," says James Adkins, the hotel's general manager.

Shennanigan's—which averages $25,000-$35,000 per week—features live entertainment, two dance floors, a fireplace, a television lounge and a dozen backgammon tables. A snack menu includes a cheese tray, nachos, spare ribs and fried tempura.

Shennanigan's pulls not only the hotel guest but local customers from a 10-mile radius.

Historically, the food and beverage operations of hotels/motels have not been regarded as profit centers. But today, to pick up the slack caused by fewer business and pleasure travelers, hotels/motels are turning to their food and beverage operations to generate added income. As a result, their restaurants and lounges are becoming more competitive within their local markets.

A week-long strawberry festival at Baltimore's International Hotel increased its Sunday brunch by 70 covers and generated heavy local traffic.

One of the most aggressive campaigns to remain competitive was undertaken by Phoenix-based Ramada Inns, a company with a substantial number of properties in downtown and suburban areas.

"Over the last three years, we have spent a total of $80 million in remodelling and renovation," says Kenneth Jensen, director of public

Shennanigan's—at the Cleveland Marriott Inn/Airport—is an entertainment complex for local and hotel customers.

relations. Of that amount, 35 percent is directed toward upgrading food and beverage facilities.

Ramada Inn is investing in three restaurant concepts: Summerfield's, Sun Blossom's, and Pancake Hauses. Summerfield's (there are currently 26 in operation) is the company's "quality" restaurant featuring a menu mix of such trendy foods as sandwiches of avocado and bay shrimp, baked potatos with choice of toppings and quiche made with gruyere cheese. Properties are given the flexibility to add popular local dishes to the menu.

To attract that ever important local crowd, each Summerfield's features some kind of entertainment (live or recorded) in its lounge.

The second concept, and fewest in number is Sun Blossom's (six currently in operation). This is the company's upgraded coffee shop and it features a less complicated menu than Summerfield's.

The third concept is the Pancake Hauses for Ramada Inns with roadside locations. The 37 restaurants appeal to family travelers who want fast service.

Prime Motor Inns, a wholly-owned subsidiary of Prime Management Company, owns/operates 28 hotels and motor inns including 13 Ramada Inns. To attract the local clientele to its properties, the company has developed its own restaurant/lounge concept called Sandalwood.

"We opened our fifth and latest Sandalwood Restaurant and Lounge in East Hanover, N.J.," says Joel Simon, president and director of operations for the company. Simon estimates the Sandalwood concept draws 60-70 percent of its customers from the local area.

The steak and seafood menu is standard at each Sandalwood and dinner checks average $12.50. Simon estimates average sales volumes at an excess of $1 million per unit.

"Conventions don't cancel but we have noticed a smaller number of attendees," says Steve Marcus, president of the Marcus Hotel Corporation, a division of the Wisconsin-based Marcus Corporation.

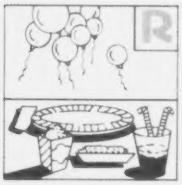
"We've seen a drop of five to eight percent in convention attendance at two of our Milwaukee properties, the Pfister Hotel and the Marc Plaza," he says.

The Marcus Hotel Corporation also owns and/or operates the Sheraton Mayfair Inn in Milwaukee, two Guest House Inns in the state and 10 Budgetel Inns in five midwestern states.

The company's Budgetel Inns have not felt the economic pinch as evidenced by the unusually high average occupancy rate of 90 percent. Marcus attributes the high rate to the units low room rates which average between $22-$25 a night.

After 11 p.m. entertainment at the Ramada Inn's Sandalwood Lounge in East Hanover, N.J. spills into the restaurant.

The Leisure Market



Restaurant Growth Index data show that the leisure market, which is second only to transportation in projected real growth, will increase 2.4 percent (real compound annual growth) each year between now and 1984.

A variety of factors are fueling the continued growth of the leisure segment.

America is a country at play: the number of hours Americans have available for leisure has increased, as leisure time activities have become a way of life to many Americans.

Today, people are more concerned with themselves. Physical fitness, the importance placed on health and exercise, and the turn towards natural foods are all indicative of this mood. America is in the midst of the "Me generation," and a great deal of that has to do with having a good time. That's where leisure activities come into the picture. Americans no longer consider leisure time a luxury. Instead, it is a necessity. The consumer, even in uncertain economic times, appears unwilling to curtail those leisure activities he has come to take for granted.

However, one looming problem stands in the way of continued growth in the leisure segment: energy. In particular, the possible non-availability and certain higher cost of gasoline for the consumer to travel to leisure market destinations.

Local entertainment—such as sporting events, regional amusement parks and bowling lanes—which requires less gas to transport patrons to the site of the event, has increased in popularity throughout the United States.

People took the 1979 gas crisis as a stern warning of tougher times ahead, and began to curtail their driving. And Americans consumed seven percent less gasoline in the summer of 1980 than the year before. Consumers are now anxious to use less gasoline to go to where they want and, once there, they don't want to use any gasoline at all.

Certain leisure destinations fulfill these needs on the part of consumers: a family can travel to a large amusement complex, remain there for the day and find all they want, including food; a couple can attend an afternoon of horseracing or a baseball game close to home and eat there as well; a group can go to see one of the huge theme parks now scattered all over the United States and spend days doing whatever they want without moving their cars.

But the energy problems could work against the leisure market as well: people must be assured of gasoline availability in order to spend the time and use the gas required to

Leisure Market: Foodservice Sales

1978: $2,007,000,000 +11.8% Sales Growth **1979: $2,225,000,000 +10.9% Sales Growth**

1984: $3,904,000,000 — +11.9% Sales Growth Compound Annual
— 2.4% Real Growth Compound Annual

	1978 Sales ($000,000)	1978 Purchases ($000,000)	1978 vs 1977 % Growth	1979 Sales ($000,000)	1979 Purchases ($000,000)	1979 vs 1978 % Growth	1984 Sales ($000,000)	% Compound Annual Growth	Real % Compound Annual Growth
Places for special events/seasonal recreation	1,350	500	11.8	1,490	552	10.3			
Drive-in movie theaters	146	48	14.6	164	54	12.6			
Bowling lanes	411	168	12.6	465	190	13.2			
Sporting and recreational camps	100	60	5.5	106	64	6.0			
Total	2,007	776	11.8	2,225	860	10.9	3.904	11.9	2.4

reach their leisure-time destination. Many segments of the leisure market encountered trouble during the gas crunch of 1979 for precisely that reason. But surveys show that it is availability and not price that significantly affects the consumer's travel, entertainment and vacation plans. If gasoline remains plentiful, the leisure segment of the foodservice industry should be able to maintain its momentum in sales, profits and traffic counts by targeting their advertising and promotional efforts at the local customer.

Near-in (located close to major metropolitan areas) leisure market operations are now doing the best. Although some of the larger national parks in the West provide everything a vacationing family could want to do and see, they are too far away from large population centers and therefore require too much gasoline to reach. It is areas like the Berkshires of western Massachusetts (with proximity to the New York City, Boston and Albany metro markets) and the Catskills, within easy driving distance of New York City, which are reaping the benefits of near-in leisure travel.

Knott's Berry Farm of Anaheim, California, is also in such a position, and is increasingly capitalizing on its location in its marketing and positioning plans. It is reachable by much of southern California's population in a little over an hour's drive time. Knott's, over the past two years, has remodeled many parts of the park, added new rides and attractions, began offering live entertainment and changed its marketing approach to capture a larger share of the near-in population.

"We've been concentrating on the local southern California market, especially since the problems of 1979," says Ken Knott, head of foodservice. "We were hurt badly last year and since then have added more local TV, radio and print advertising, more billboards throughout southern California and have generally tried to make ourselves more attractive to a market that doesn't have to travel as far to reach us."

One of the new facilities at Cypress Gardens is a salad bar.

Cypress Gardens of Florida also has embarked on an ambitious expansion program, the fruits of which are just becoming noticeable. Foodservice sales at Cypress Gardens are running 50 to 60 percent higher this year than last, but 1979 figures were depressed. The expansion of the facilities—coupled with a new marketing program and a large increase in the number of seats in the dining rooms—has boosted 1980 sales as well.

According to David Poore, director of foodservice, three new foodservice operations have greatly improved the outlook for Cypress.

The 1,000-seat Garden Plaza, features five separate shops offering a variety of fast foods: pizza, chicken, burgers, deli and a salad bar are all available.

Another 485-seat operation, County Fare, boasts 10 different types of fast food.

In addition, Cypress Gardens opened a series of juice units throughout the park which feature freshly squeezed juices and iced tea. "We started these units to take advantage of the trend toward natural foods and drinks," says Poore. The foodservice department at Cypress Gardens has also concentrated on garnering a piece of the lucrative Florida convention and banquet business for the first time because of the availability of the new facilities.

Poore is also experimenting with multi-tiered menu pricing, with most menus offering both a la carte items as well as complete dinners allowing diners to "trade up or spend as little as they wish," according to Poore.

Lee White, director of the food and beverage department at Opryland, USA, in Nashville, Tennessee, also watches labor costs very closely: "We keep track of overall park attendance and the estimates, aligning the amount of labor hours required to the numbers we expect." At Opryland there are two major sit-down restaurants, seven fast food operations and five buffeterias. Due to the severe heat wave this summer, attendance was down at Opryland but White is optimistic that traffic will pick up in the near future and continue to grow over the long run: "If the economy gets back into shape, I think we'll be one of the first to feel the effects," he says. The average attendee, of which there are 100,000 on a summer Saturday, spends $3.85 on food during his stay at Opryland. "We're attempting to keep our menu prices in line," says White, "yet still increase operating profits. It's not easy."

It's not easy in the leisure market because it is highly volatile. But the market should continue to grow as the economy returns to a healthy point and people begin to plan trips and vacations once again. When they do start planning, it will be the easy-to-reach, fun activities that they will choose.

The Transportation Market

ARA's new restaurant at the Rochester/Monroe County Airport is a dramatic departure for airport dining. An exclusive wine list and

Star of the Restaurant Growth Index last year, the transportation market remains the growth leader although its five-year prediction is down from last year's stellar heights. The compound annual growth in the transportation segment was listed last year at 13.8 percent but this year it is 11.0 percent. A number of factors have impacted negatively on the market in the past year, but it is expected to recover relatively quickly and can look forward to the highest real percentage of compounded annual growth (2.6 percent) of any segment in the 1980 RGI.

complete menu is offered.

The biggest difficulty facing the transportation segment is fuel costs.

The cost of a gallon of jet fuel shot up to 87 cents in summer of 1980 from 40 cents in early 1979, more than doubling operating costs for airlines. United, the nation's largest air carrier, suffered a $46.7 million 1980 second quarter operating loss, while American flew $45.3 million into the red. Only Delta, US Air, some other regional carriers and commuter airlines are currently making any money.

In addition, the recession has hurt both tourist and business travel, forcing down by four percent the amount of passenger traffic in June of 1980, compared to last year. The major United States carriers are currently involved in price wars on many popular domestic routes, including New York City to California and New York City to Miami.

The Airline Deregulation Act of 1978 has also led to many of the current difficulties. As airlines moved out of approximately 100 unprofitable airports in order to concentrate on the money routes, competition on those routes led to discount fares and startling losses in early 1980.

All of these factors have affected the in-flight and airport foodservice business, making 1980 a very difficult year. But the long-range prognosis remains strong: As deregulation irons itself out and the recession eases, people can be expected to return to air travel.

"The decrease in enplanements has obviously impacted negatively on our business," says Everett Till, president of ARA's Aero Enterprises, responsible for foodservice in 20 United States terminals and some in-flight programs. "We've cut back on food costs everywhere, and, as far as labor is concerned, we've always operated very close to the bone."

In order to attract the people who are moving through airports, Aero Enterprises has converted many facilities to "buffeteria" layouts—a combination of cafeteria-style foodservice with a very wide assortment of foods. "We maintain table service at certain times of the day," says Till, "And we always have porter service to keep things clean, but we're definitely moving toward more self-service."

Till plans to inaugurate a new concept for airport foodservice at Aero's new Philadelphia airport facilities. The unit, to be known as "Naturally," will feature a variety of natural and healthy foods and drinks. "We want to capitalize on the trends we see in the restaurant industry," says Till.

Eugene J. Sullivan, vice president and general manager of airport terminal operations for Dobb's Houses, Inc., also notes the move to more self-service in airport feeding operations. "We just can't keep passing on the cost of inflation to the consumer any longer," he says. "We have to find more productive ways to save costs, and self-service is one of the answers to the problem."

Dobb's House runs foodservice facilities at 24 airports, many of them located in the South, Southwest and Southeast. "We are definitely experiencing lower customer counts in many airports due to the decrease in air travelers," says Sullivan, "But some—such as the Miami facilities—are doing well due to the influx of foreign travelers to the United States, especially Florida."

Dobb's House is currently building facilities at the new Atlanta airport, and will be including dining areas beyond airport security points for the first time. "Most airports were built before intense airport security became a way of life," says Sullivan, "So there are no facilities beyond those points. It will be a big plus for us to be able to provide

Transportation Market: Foodservice Sales

1978: $1,501,000,000 +14.5% Sales Growth	1979: $1,725,000,000 +14.9% Sales Growth

1984: $2,912,000,000 — +11.0% Sales Growth Compound Annual
— 2.6% Real Growth Compound Annual

	1978 Sales ($000,000)	1978 Purchases ($000,000)	1978 vs 1977 % Growth	1979 Sales ($000,000)	1979 Purchases ($000,000)	1979 vs 1978 % Growth	1984 Sales ($000,000)	% Compound Annual Growth	Real % Compound Annual Growth
Air & rail (in transit)	788	390	15.2	920	455	16.8			
Terminal facilities	388	144	15.1	454	168	17.0			
Highway (interstate)	236	87	12.4	250	92	5.9			
Passenger & Cargo liners	89	49	12.4	101	56	13.5			
Total	1,501	670	14.5	1,725	771	14.9	2,912	11.0	2.6

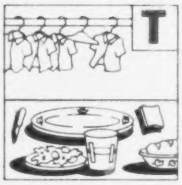
service in the gate areas in Atlanta, because that airport handles a great many passengers who are plane-hopping rather than stopping."

To service these food facilities—which will be located in the terminal wings two stories above ground—Dobb's House designed a truck similar to those which service planes. All food will be prepared in a central commissary over one mile from the terminal and then trucked to Dobb's House's 26 units. "The system will be great for both us and the air traveler," says Sullivan.

Short-term, the transportation market still has some tough times ahead, but it should pull out of its current difficulties. And it should continue as the premiere growth market of the early 1980s.

The spacious and comfortable cocktail lounge in ARA's Rochester facility attracts local patrons as well as travelers.

The Retail Market



The retail foodservice market continues to grow in leaps and bounds as it constantly searches for new ideas to attract customers and boost sales. The "tea room," for so long a familiar fixture in department stores, is becoming a thing of the past. It is being replaced by trendy self-service facilities which help to generate traffic and boost sales store-wide.

Retail foodservice directors are heeding the call of the separate eating and drinking place segment of the restaurant industry and turning to new concepts. Primary among these are new healthy food installations, fast food facilities and snack bars featuring such items as vegetables, fruits, yogurt and chocolate chip cookies. Retail foodservice floor space is being remodeled across the country to accomodate these new ideas. Often, smaller parts of older facilities are being remodeled to keep construction costs down yet still provide new experiences for the retail shopper.

The Lazarus Department Store of Columbus, Ohio, a division of Federated Department Stores, provides a perfect example of changing retail foodservice fashions. Foodservice Director Walt Lindeboom has been hard at work over the last year inaugurating facilities with new menus meant to attract both the traditional retail shopper and off-street patrons who may never have considered dining in a retail foodservice facility before.

One of Lindeboom's new concepts is The Wine Pub, a part of the Columbus store's dining facility, called The Chintz Room. It has been converted to serve "The Vintner's Buffet," a selection of cheeses, meats and salads for $3.75. Customers help themselves from a buffet area, but waitress service is provided for wine by the glass.

Another innovative facility is the Sub Works, located on the ground floor of this downtown store and visible from the street. "People passing by can see the sandwiches being made. It's a perfect merchandising tool," says Lindeboom.

Retail foodservice directors are experiencing more pressure from store executives to produce revenue, profit and increased customer counts. "Foodservice operations take up floor space and if we don't produce, they can always use the space to sell more jeans. Foodservice is no longer considered a 'necessary evil.' We must produce," points out William R. Curtis, foodservice director for

Retail Markets: Foodservice

1978: $3,133,000,000 +8.5% Sales Growth

1979: $3,417,000,000 +9.1% Sales Growth

1984: $5,520,000,000
+10.1% Sales Growth Compound Annual
0.7% Real Growth Compound Annual

	1978 Sales ($000,000)	1978 Purchases ($000,000)	1978 vs 1977 % Growth	1979 Sales ($000,000)	1979 Purchases ($000,000)	1979 vs 1978 % Growth	1984 Sales ($000,000)	% Compound Annual Growth	Real % Compound Annual Growth
Department stores	938	375	8.8	1,019	407	8.6	1,687	10.6	1.2
Variety and general merchandise stores	668	260	8.4	722	281	8.1	1,143	9.6	0.3
Drug and proprietary stores	559	212	6.9	598	227	7.0	780	5.4	−3.5
*Other specialized retail stores (including food outlets)	968	352	9.2	1,078	392	11.4	1,910	12.1	2.6
Total	3,133	1,199	8.5	3,417	1,307	9.1	5,520	10.1	0.7

*Other specialized retail stores include: Food stores including grocery and convenience, gasoline service stations and misc. retailers (liquor, cigar, etc.)

Associated Dry Goods.

But, by the same token, retail foodservice directors feel their departments are being taken far more seriously by store executives who are now receptive to new foodservice concepts. "We're not viewed as just a customer service anymore," says Connie Klier, manager of foodservice for Woodward and Lothrop in Washington, D.C. "Retail store management respects us and relations with them have improved tremendously over the past three or four years. We're expected to turn a profit now—not an outlandish one—but we're treated the same as any other department."

Klier's innovations in the main Washington store include the "Eatcetra" facility, a combination of three counters, each serving a different type of fast food. Located in the Junior's Department, as are many innovative foodservice facilities in department stores, Klier reports a "tremendous" customer response. An arcade linking Woodward and Lothrop and the new Washington Metro subway system will open in September a store selling: "Our very own chocolate chip cookie—the finest in Washington," claims Klier.

Other retail foodservice directors report an increased interest in their departments on the part of retail management. Jerry Rozak, director of foodservice for the Chicago-based Marshall Field chain, says: "We're under more pressure to attract customers because management now realizes ~~the~~ importance of foodservice. Field's has always been big on food, but now we stand a better chance in terms of budgeting, remodeling and advertising."

Rozak has introduced new concepts to attract the customers and generate the revenues store executives are coming to expect. "We've moved to more self-service, like salad and soup bars," reports Rozak. In addition, a hamburger "topping bar" has become very popular in Narcissus, a restaurant in one of Marshall Field's downtown stores. After customers receive their burgers from waitresses, they can go up to a bar at which they can add cheese sauce, mushrooms, grilled onions, relishes and other toppings. "It's only a few months old, but the response has been so positive that we're already considering adding the concept in some of our other stores," says Rozak.

Another way for retail foodservice directors to boost revenues and customer counts has been through the use of tie-ins with other departments and store-wide promotional activities.

At Marshall Field, an Irish promotion is planned for early fall during which an Irish menu will be introduced, an Irish pub will be added, and all foodservice facilities will play as important a role as other departments in the store-wide promotion.

The foodservice divisions of retail department stores are going and growing with the times. The market should continue to expand as foodservice divisions are taken more seriously by store executives and are recognized for what they are: traffic builders which are an integral part of any fashionable retail store.

The fashionable Soho Charcuterie opened a restaurant in Ann Taylor's 57th Street store in Manhattan.

The Business/Industrial Market

Business and industrial feeders are facing many of the same problems being confronted by the rest of the industry: high labor costs, increasing food prices and customer resistance to higher menu prices.

In addition, the difficulty of unemployment in automotive and auto-related industries, which is expected to spread to numerous other industries throughout the economy, is affecting the business and industrial market.

But, through a combination of factors: good employee relations, concern with eating right, and saving disposable income, and employees' desire to remain on-premises during meal periods to conserve energy and time—the business and industrial feeding segment is expected to remain healthy over the long run.

Business and industrial caterers report a renewed interest on the client's part for quality foodservice. They want to keep employees on the premises during meal periods, in part because of the productivity losses resulting from departure and arrival, travel time and disruption of worker schedules. Businesses are also interested in providing a healthy, quality meal for their employees in order to maintain good relations. Feeders in this segment have responded to client wishes with major efforts to make dining in the company cafeteria more exciting and rewarding for patrons.

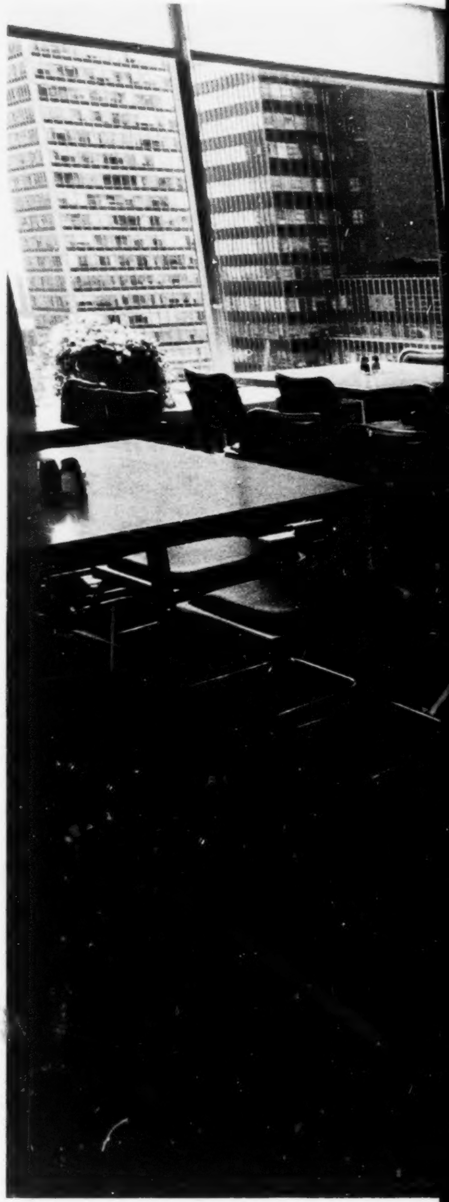
"I think the generally poor state of the economy is working in our favor," says Jack Galione, president of Corporate Food Services, a Manhattan-based company providing foodservice to white collar and executive dining rooms. "We do consider the outside competition but we feel the value we put out for the price is extremely high. As times get tougher, more people are staying in the office for their noon meal and are eating more because of the price/value perception. We're serving more hot entrees at lunch because I think people are eating their main meal at that time of the day and are eating lighter at home at night."

Other business and industrial feeders note that new efforts at merchandising to make in-house feeding facilities more attractive to an ever-changing population are underway.

To attract the traditional brown-bagger, Richard Ysmael, corporate director of employee services for Motorola has begun a promotional campaign called "What's in your bag?" "We're trying to demonstrate that we can provide a better meal to the brown-bagger for less trouble than he is accustomed to," says Ysmael. Motorola has also begun promotional activities to attract breakfast business in hopes of increasing the sales percentage to 15 percent from its current 10 percent of total daily sales.

Ralph Pica, president of Saga's business and industrial division, reports that "Client needs are changing—we've become much more retail oriented than institutional. We're moving away from the heavy meat and potato emphasis to various foods which are lighter and easier to prepare and serve."

Greyhound Food Management is



Corporate Food Services provides food service trying to stay one step ahead of the competition by anticipating what it sees as dramatic changes in this market in the near future. "We believe that in three to five years an evolutionary change will occur in industrial feeding," says John Teets, president of Greyhound Food Management. "Historically, companies have been oriented to large cafeterias. But, because of the mix of younger employees who have been brought up on fast food and are fast food oriented, they want that at work as well—quick service in a relaxing atmosphere."

Greyhound Food Management has developed its Eatin' Easy program to capitalize on this trend. In an Eatin' Easy installation, signs direct diners to one of three different food areas: Food Fare for the heavy eater, Quick Check for the snacker and Burger Express for people interested in traditional fast food. All are located behind one main counter with three separate cashiers to facilitate ordering and service.

Other new types of service and food are also becoming popular in the business and industrial segment. Galione of Corporate Food Services reports the introduction of Antipasto bars which feature a wide variety of meats, cheeses, greens and dressings. Customers create their own concoctions and pay for them by the ounce. "It gives us built-in portion control, reduces waste and helps trim food costs," according to Galione. Corporate plans to expand "by the ounce" sales to other areas, including french fries, salads and vegetables.

Kay Stammers, corporate food service manager for Kodak in Rochester, New York is currently building a cafeteria which will feature totally portable equipment. "Tastes are changing too quickly," says Stammers, "and we don't want to have to tear everything down in a few years. The portable equipment will allow us to be more flexible and respond to customer needs more quickly."

Stammers agrees that employees are eating in-plant more frequently and are taking their major meal of the day on-premises because of the perceived value. She has also introduced salad bars and the sale of submarine sandwiches by the inch (at 20 cents per inch), resulting in better food costs and less waste. The submarine "by the inch" sale

The new Cafe IV at Mutual of Omaha is serviced by Saga. It seats 1,000 under the largest, insulated glass dome in the U.S.

has generated a "tremendous" response, according to Stammers.

Another way of saving money which has met with both good client and employee acceptance is the use of central commissaries to supply satellite feeding areas.

At Greyhound facilities, many foods are prepared in central areas and sent to outer feeding installations. Items such as hamburgers are prepared in the satellite areas, but central commissaries are used for the preparation of appropriate foods.

"We've gone back to total scratch kitchens" to cook most items which then travel to satellite facilities, resulting in no duplication of equipment or labor," says Stammers of Kodak.

Motorola's Ysmael reports a cutback in labor costs through voluntary time off by full-time foodservice personnel and reduced operating hours.

But Galione sees a basic problem for the business and industrial segment that must be faced: "Contractors and in-house feeders have to raise prices. The clients have raised their own product/service prices plenty while our prices have remained fixed. They want quality foodservice for their employees, yet they continue to ask us to hold the line on our prices. Well, we're running out of things we can trim. Ultimately, I see this as self-destructive."

Galione's assessment is echoed by other business and industrial feeders, but management firms are reluctant to raise prices because of intense competition within the market. And in-house feeders don't scream too loudly for fear of management calling in an outside caterer. The fact that clients demand quality and value for their employees, yet don't want to pay more, has forced the business and industrial segment to look long and hard at itself in order to trim even further to remain within budgets or maintain profit margins. Many feeders report that they have cut personnel and service to the bone in the struggle to preserve quality food at reasonable prices.

The current unemployment rate is a constant worry for business and industrial feeders. If employment continues to decline, the pinch will be felt soon.

"We haven't been affected yet," reports Ysmael, "but we're not directly tied into the steel or automotive industries. But if those industries continue their downward trend, we'll soon be seeing problems in other segments of the economy and then everyone will be hurt. Hopefully, the economy will recover before we reach that point.

Another harbinger of potentially rough times ahead is the fact that food on the job has become a "quality of life" issue for the unions. Food quality and menu prices continue to crop up in the demands of organized labor during contract discussion time.

In the future, business and industry feeders may hear more demands for even better food at even lower prices. Newer and more innovative approaches will have to be tested and installed, especially if unemployment continues to rise.

Business and Industry: Foodservice Sales

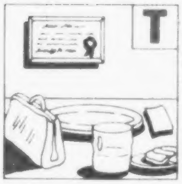
1978: $5,871,000,000 +10.9% Sales Growth

1979: $6,317,000,000 +7.6% Sales Growth

1984: $10,188,000,000
+10.0% Sales Growth Compound Annual
0.7% Real Growth Compound Annual

	1978 Sales ($000,000)	1978 Purchases ($000,000)	1978 vs 1977 % Growth	1979 Sales ($000,000)	1979 Purchases ($000,000)	1979 vs 1978 % Growth	1984 Sales ($000,000)	% Compound Annual Growth	Real % Compound Annual Growth
Contract feeding in plants (cafeterias primarily)	1,795	836	11.5%	1,938	902	8.0	3,129	10.1	0.7
Contract feeding in business offices	477	222	13.0	527	245	10.5	912	11.6	2.1
Internal feeding—plants and business	1,167	571	10.8	1,254	614	7.4	1,936	9.1	−0.2
Waterborne employees	207	125	7.8	222	134	7.2	288	5.3	−2.2
Mobile on-street catering	384	135	15.7	415	146	8.1	725	11.8	2.3
Food vending machines (excluding soft drinks and candy)	1,841	626	9.4	1,961	667	6.5	3,198	10.3	0.9
U.S. Defense personnel		1,409			1,531	8.7			
Food furnished foodservice employees		2,711			3,023	11.5			
Total	5,871	6,635	10.9	6,317	7,262	7.6	10,188	10.0	0.7

The Health Care Market



The health care market, in terms of sales, is the second largest industry segment, trailing only the separate eating and drinking place segment. Although it grew by 9.6 percent in 1978 over 1977, five-year projections call for only a 0.2 percent real compound annual growth rate.

The health care market is beset by difficulties that many other segments do not face. The cost of medical care in the United States is said to be increasing even faster than the economy as a whole—some estimates put inflation in medical services at 15 percent a year, well over the general rate. The labor factor is becoming increasingly burdensome in hospitals and nursing homes, the cost of new technologies is astronomical and health care institutions must be able to provide increasingly sophisticated facilities and services in order to remain competitive in an ever widening market. But the bottom line, as far as the health care segment of the foodservice industry is concerned, is that something has to give and very often it is foodservice.

Although basic necessities and services must be provided for patients, employee foodservice is often cut back. Rare is the health care institution which is able to go the extra mile in foodservice for its patients and employees. Many hospital administrators look to the foodservice department as the first to be chopped and trimmed at budget time. The effects of this attitude are being felt in the health care foodservice market, and many health care foodservice managers feel that the real crunch is yet to come.

St. Mary's Hospital in Philadelphia recently eliminated it's employee's full-service cafeteria, cut breakfast and now offers employees one special a day on a "take it or leave it" basis. Vending machines were introduced and labor costs were trimmed by 75 percent as a result of the cutbacks.

One hospital which does go the extra mile for its patients and employees is the Albert Einstein Medical Center, Northern Division, in Philadelphia. According to Steve Levitsky, associate general director for operations: "Einstein patients are on a five-meal-a-day program. In addition to the three regular meals, we offer an earlier continental breakfast and a mid-afternoon snack. This increases our labor costs by about 10 percent, but it's well worth it from our point of view. We've even received letters from former patients praising the food! Our costs per patient per day for food is about $12.50, which is high, but food is one of the things that either brings patients and doctors in or keeps them away."

Another innovation at Einstein is the "Taste of Philadelphia" pro-

Health Care Market: Foodservice Sales

1978: $8,105,000,000 +9.3% Sales Growth

1979: $8,887,000,000 +9.6% Sales Growth

1984: $13,195,000,000
+8.2% Sales Growth Compound Annual
0.2% Real Growth Compound Annual

	1978 Sales ($000,000)	1978 Purchases ($000,000)	1978 vs 1977 % Growth	1979 Sales ($000,000)	1979 Purchases ($000,000)	1979 vs 1978 % Growth	1984 Sales ($000,000)	% Compound Annual Growth	Real % Compound Annual Growth
Hospital-internal	5,437	2,466	8.5	5,937	2,693	9.2	8,596	7.7	−0.2
Hospital/Nursing home-contract	678	27	10.1	742	296	9.4	1,147	9.1	1.0
Other institutions for specialized care including nursing and old age homes, orphanages, etc.	1,990	1,278	11.3	2,208	1,418	11.0	3,452	9.3	1.3
Total	8,105	4,015	9.3	8,887	4,407	9.6	13,195	8.2	0.2

gram. Every six weeks, the chef and staff of a local Philadelphia restaurant come in to the hospital and prepare one of the restaurant's specialties. The special menu can be purchased a la carte or as a whole dinner by employees and is offered to all patients who are on non-restricted diets. The program, now in it's second year, has met with tremendous response from both patients and employees. Philadelphia restaurants which have already participated include The Frog, Wildflowers and Chestnut Hill Hotel.

Einstein is currently developing plans for a new building which is expected to be ready in $2\frac{1}{2}$ years. "We'll keep the same kitchen we have now and transport the food to the new building by hand-truck," says Levitsky. "We're working on a way of getting the food to all patients in less than nine minutes."

Sarah Maxwell, vice president of ARA's Hospital Food Management, feels the problem of maintaining quality in the face of escalating costs has been the major challenge for her firm's 375-plus operations during the past year. "It's a constant battle to contain costs with inflation impacting on both food and labor and to improve quality at the same time," she says. "Because of the stiffer competition between health care institutions, we try to help our hospital clients by offering top quality food. I believe we're succeeding, but we have to remain on top of everything all the time." Numerous other health care foodservice managers share this view.

Maxwell and her staff have been concentrating on promoting the new government dietary goals to hospital patients and staff. "It's unfortunate that it takes a stay in the hospital to make people aware of the goals, but it's great if they learn something while they're here and it improves their eating and drinking habits," says Maxwell.

Innovative ideas to help save costs and maintain quality are the most important factors operating in the health care market today. The market is expected to show both near and long term growth, but at a slower rate than the rest of the foodservice market.

At Medical City, Dallas, managed by Humana, Inc. of Louisville, KY, new parents are served a special meal with champagne. Below, The Frog *restaurant workers prepare food for the Albert Einstein Northern Division "Taste of Philadelphia" program.*

The Student Market

In the student market, growth is running at approximately the same rate (8.4 percent in 1978, 8.0 percent in 1979) as it was last year. In the elementary and high school segments, inflation and government support continue to remain major difficulties. The push to balance budgets and trim expenses, more popular now than ever, often begins with such programs as government sponsored student feeding reimbursements.

ARA's Mary Beth Crimmins, vice president, school services predicts: "The controversy of budget-cutting centered on child nutrition programs will continue. It looks now as if reimbursements will be decreased by 2.5 cents per pupil per meal for the 1980-81 school year, but that could change. The number of school districts serviced by ARA has increased over the last year, I think indicating that they are turning in ever greater numbers to contract feeders to handle these increasing difficulties."

To attract new clients and provide extra service for current ones, ARA has inaugurated a Nutrition Education Program. Aimed at second and third graders, because children are then "at an age when habits are formed and nutrition education can have its greatest impact," according to Crimmins, the program is designed to increase awareness of vegetables and their importance in a child's diet. Using puppets outfitted as vegetables, two 15-minute videotapes follow their adventures, showing vegetables to be interesting, good and fun foods. The videotapes are presented in classrooms in conjunction with a teacher's guide, although ARA foodservice directors handle most presentations. "It has met with tremendous success already," reports Crimmins.

In college and university foodservice operations, sales growth proceeded at an eight percent rate for internal foodservices and nine percent for contract foodservice in 1979.

The emphasis is on new ideas to attract new customers and increase student participation.

Bill Hickey, foodservice director at the University of Illinois at Chicago Circle, recently redesigned and remodeled the student snack bar on the commuter campus and has watched customer counts skyrocket as a result. Chicago Circle installed 11 booths, each offering a different type of quickly prepared and served food, including deli specialties, Mexican food, hot dogs,

Student Market: Foodservice Sales

1978: $5,213,000,000 +8.4% Sales Growth

1979: $5,630,000,000 +8.0% Sales Growth

1984: $8,173,000,000
+7.7% Sales Growth Compound Annual
−0.2% Real Growth Compound Annual

	1978 Sales ($000,000)	1978 Purchases ($000,000)	1978 vs 1977 % Growth	1979 Sales ($000,000)	1979 Purchases ($000,000)	1979 vs 1978 % Growth	1984 Sales ($000,000)	% Compound Annual Growth	Real % Compound Annual Growth
School-internal (public, parochial, elementary & secondary)	1,938*	2,676**	8.1	2,083	2,876	7.5	2,850	6.5	−1.4
School-contract	527	248	9.2	570	268	8.2	849	8.3	0.3
Colleges, universities-internal	1,852	952	8.4	2,000	1,028	8.0	2,957	8.1	0.2
Colleges and universities-contract	896	317	8.9	977	345	9.0	1,517	9.2	1.2
Total	5,213	4,193	8.4	5,630	4,517	8.0	8,173	7.7	−0.2

* *Actual cash receipts from children reported by states to USDA (plus parochial and other private schools). Sales are lower than purchases because of subsidy programs.*

** *Not including $775,350,000 worth of commodities and milk, a 13.9% increase from 1977.*

The remodeled snack bar at the University of Illinois at Chicago Circle offers 11 different types of food.

The dining area sometimes becomes a performance center for jazz music and poetry readings at Chicago Circle.

hamburgers and fried chicken. Sales and customer counts are up, and Hickey claims that student response has been overwhelming. "They aren't leaving campus anymore to get the kinds of food they want," says Hickey.

In addition, the Chicago Circle facility—in conjunction with the campus programming department—began a series of weekday afternoon and weekend entertainment programs to attract business. Programs include jazz, poetry readings and other special events. "The snack facility was in bad shape a year ago," says Hickey, "But the combination of the food concepts, entertainment during traditionally slow periods and strict management controls have turned things around."

Nutritional information and varied dining concepts have proven to be big traffic builders in the university segment.

At Stanford University in Palo Alto, California, menus now disclose caloric value, fat content and cholesterol ratings.

13th Annual Restaurant Growth Index

by Robert M. Katz

The 1970s were a period of change in the foodservice industry. The 1980s will also see changes, brought about in large part by a substantial shift in the demographic characteristics of our country. The effects of these shifts are far reaching and dramatic, and will have a substantial impact on the foodservice industry.

The first step in preparing for the future is to look at it. In *Table 1,* we have documented how the population matrix is expected to shift by 1990.

The first item to note is the tremendous increase in the 35-44 age group, which will skyrocket from 24.7 million persons in 1978 to 37.3 million in 1990—an increase of 51 percent in 12 years: Certainly, one of the more significant marketing shifts that will occur.

The next largest increase is in the 65-and-over age group, which will grow by 23 percent. All of us who pay FICA (Social Security) taxes, will readily grasp the implication of that statistic. The 1930 Census reported that there were 6.6 million Americans 65 and over, representing 5.4 percent of the total population. By 1990, the 65-and-over group will constitute 12.3 percent of the total, some 30 million by the end of the decade.

Another big gain will be scored by the 25-34 age group, which will increase by 19 percent. It was the largest group in 1978, with 34.4 million and will continue to be the largest group in 1990 with 41.0 million. Not too surprising to demographers is the fact that the 12-17 and 18-24 age groups will both lose population: 16 percent and 13 percent respectively. The size of both the 45-54 and the 55-64 age groups will remain relatively stable.

Changes will undoubtedly be necessary in the formulation of promotional campaigns. Children will continue to flock into restaurants featuring magicians and puppeteers, but what about the largest group of all, the 35-44 year olds? Characterized by social mobility, high income, teen-age children and lots of leisure, this group provides the greatest potential for an increase in eating out. Creating advertising, both in print and radio, directed to the 35-44 group might emphasize the pleasures of eating out, the variety of food that is available, the efficient service and relaxation. The new demographics will help lead marketers in the right direction.

Where feasible, thought could be given to providing some live or taped entertainment, whether it be some music or special short features shown on TV monitors (using video cassette cartridges). Families who eat out frequently may well enjoy spending more time in restaurants that do provide some form of limited entertainment. The appointments in a restaurant, as well as the seating arrangements and lighting, should be conducive to an intimate atmosphere. In certain closely knit neighborhoods, foodservice establishments could promote better relationships and more business by sponsoring bowling leagues, little league games, or perhaps adult softball contests. Again, these decisions should be influenced by the shifting age patterns of Americans.

A unique field for promotion is the over-65 group, especially in areas with a lot of seniors. Local restaurants can issue special discount cards to senior citizens residing in the neighborhood. This card would stipulate the days of the week and hours of the day when the card would be valid, let's say, for a 10 percent discount on any item on the menu. Alternatively, the

continued on page 172

Mr. Katz is vice president of Market Statistics, a division of Bill Communications, Inc. All data are copyrighted by *Restaurant Business* Magazine and *Sales and Marketing Management* Magazine and further reproduction is forbidden.

New data

Readers will note several changes in the format of this year's RGI report. There are three additional columns designed to further aid marketers and analysts. The columns are: Population, Percent of United States Population, and Average Household Size. The Population column will allow a basis for determining per capita sales ratios within a market. The percent of United States population indicates the relative size of each market as a share of the United States. The Average Household size is a key marketing variable for planning.

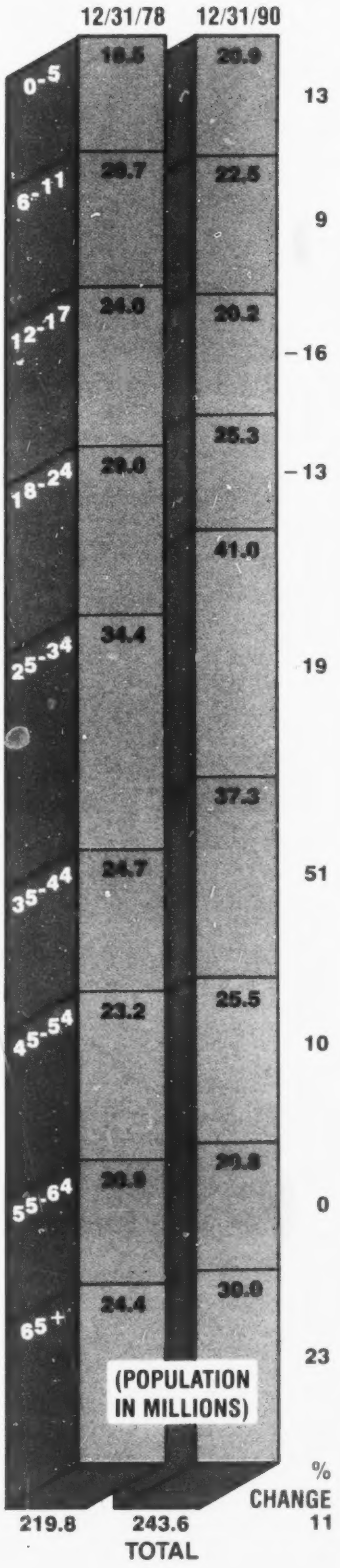
Starting with this year's RGI, we will be basing our various retail sales estimates on the just released 1977 Census of Retail Trade. The 1977 Census has improved the definition of retail sales. This is the case since sales tax has been removed from the definition thus making data from a sales tax state comparable to data from a non-sales tax state.

This year's report also includes an RGI overview of the nine major census regions.

BEST COPY AVAILABLE

TABLE I

Population Projections by Age Group for the U.S.



AGE GROUP	12/31/78	12/31/90	% CHANGE
0-5	18.5	20.9	13
6-11	20.7	22.5	9
12-17	24.0	20.2	−16
18-24	29.0	25.3	−13
25-34	34.4	41.0	19
35-44	24.7	37.3	51
45-54	23.2	25.5	10
55-64	20.9	20.8	0
65+	24.4	30.0	23
TOTAL	219.8	243.6	11

Source: Sales & Marketing Management's 1980 Forecaster's Handbook

restaurant can feature a daily special for the holders of these cards, at a stated price. Since older people do not eat as much as younger persons, a special with modest servings could well be a popular feature.

Closely linked with the many demographic changes that will take place in the 1980s, is the prospect of the increasing popularity of regional food favorities. Such offerings may include spicy southwestern specialties, New Orleans Creole, and other uniquely regional fare. These, and the other suggestions mentioned previously, are sure to be thoroughly tested in the '80s by the major marketers.

Technology and innovation helped encourage the growth and expansion of the foodservice industry. Not only does technology allow for the convenience of quick service, but it has also led to economical prices and high sales volume. This, of course, has been the basis of the well-run, efficient and profitable chains of today. The '80s will see technology and innovation on the rise.

The decade past

Now that we have discussed the future, let's see what happened in the 1970s.

Table 2 illustrates the number of establishments engaged in selling prepared food in 1972 compared to 1977. There were 28,829 *net* increases in the number of eating places. Fast food places accounted for 19,507 of the 28,829 total increase, or over 67 percent. Net increases in restaurant establishments represented over 21 percent of the change from 1972 to 1977. There are 3,141 counties in the United States. Almost two-thirds of the net change in eating places occured in the largest 250 counties. For the top 250 counties, the average net change was 75 additional establishments. The remaining counties each gained an average of 3.5 net establishments during the five-year period, 1972-1977.

Table 3 highlights the average increase in total sales that different types of eating places experienced from 1972 to 1977. The average growth was 63 percent for eating places per establishment, and 52 percent for all retail establishments. As the table indicates, only two kinds of eating establishments did substantially better than the norm.

The two leading segments were fast food stores, and ice cream and frozen custard stands, with sales per establishment increases of 80 and 79 percent, respectively between 1972 and 1977. During this period, both segments posted tremendous net increases in number of establishments. The number of fast food places increased by 26.8 percent, and ice cream and frozen custard stands by 49.3 percent. Yet even with these unit increases, the average sales growth per establishment continued unabated. That says a lot about the vigor and popularity of these establishments in the 1970s.

continued on page 177

Problems ahead

Our outlook for the 1980s would not be completely realistic without a few caveats. Unless wages keep up with inflation (presently, a rather dim prospect), there could well be a growing problem of price resistance. At some time soon, the average cost of eating in a fast food establishment for a family of three may approach $10. And psychological resistance can be expected if the bill goes to $12 or $13.

The effects of inflation on purchasing power may force consumers to eat at home more often. While gasoline is plentiful at the present time (last year's gas lines and odd/even numbers seem like a bad dream now), there is no assurance that the supplies of gasoline will not be curtailed or that the price will not forge ahead to $2 per gallon or more in the eighties. Such an eventuality, could have major impact on the frequency of traveling to dine out.

The key to the survival and growth of the food service industry in the 1980s depends on how eating places go about mitigating the negative factors and how well they succeed in promoting the positive factors. The surest way to do both is to utilize the demographics in a marketing mix which will attract the *greatest* number of people to continue eating away from home.

The 1970s were dynamic years for the foodservice industry. Not only did stores of all types open but they flourished. There are many problems to be faced in the 1980s, but the clever and resourceful marketer, armed with current and accurate information, is prepared and eager for the challenge in this very competitive industry.

Definitions

Population:

Updated from the 1970 U.S. Census of Population and Housing, it is an estimate of the number of people living in an area at the end of the year. It includes people living in colleges and hospitals, and armed forces permanently assigned to the area, but excludes tourists and transients. Large changes in group-quarters populations are not projected in these forecasts.

Demographic statistics have been estimated employing a population component procedure. That is, independent county estimates of births, mortality, and migration are generated. These population components are aggregated and either added or subtracted from the appropriate benchmark.

Fertility rates, for example, have been projected at their current rate of change. We assume that the pattern of births will continue its slow but steady rate. Similarly, we have assumed that no major medical advancement will be found over the next few years and that the mortality rates that are in effect today will continue unmodified.

Percent of U.S. Pop.:

A market's share of the total U.S. population.

Household:

A household consists of all the people occupying a single housing unit under 1970 census rules—such as a house, an apartment, a group of rooms, or a single room. The members of a household need not be related, and a single person living alone in a housing unit is also counted as a household.

All persons who are not members of households are regarded as living in group quarters: institutions, college dormitories, military barracks, etc. Caution: Although a county's population total will include all the people in the area, the household total will not do so because it excludes those living in group quarters.

Average Household Size:

Total population divided by the number of households. Depending upon whether it is above or below the U.S. average, it is used as a rough indicator of the relative importance of family-type units or single-person units in a local area. However, the figure can be artificially high in those relatively few counties where there is a disproportionate share of college, military, and other types of institutional population. The people living in such group quarters are part of the population total, but their dwellings are not part of the household total.

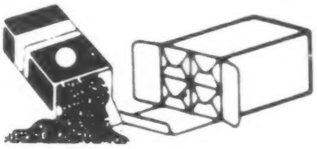
Eating and Drinking Places:

Includes establishments selling prepared food and drinks for consumption on or near the premises or for takeout, as well as lunch counters and refreshment

continued on page 178

Table 2

Number of Establishments



Kind of Business	1977	1972	1977-1972 Net Change
Eating Places	237,728	208,899	+ 28,829
Restaurants	118,896	112,656	+ 6,240
Fast Food Places	92,357	72,850	+ 19,507
Social Caterers	3,502	3,944	− 442
Cafeterias	7,001	8,162	− 1,161
Contract Feeding	7,836	5,836	+ 2,000
Ice Cream & Frozen Custard Stands	8,136	5,451	+ 2,685

Source: 1977 Census of Retail Trade

stands selling prepared foods and drinks for immediate consumption. Also included are caterers and in-plant food contractors, as well as leased eating and/or drinking concessions in theaters, hotels, amusement parks, etc. Restaurants and lunch counters operated by department stores are classified in General Merchandise Group; those operated by hotels are classified in the Hotels Group.

Eating Places:

Includes retail sales of restaurants and lunch rooms, social caterers, cafeterias, fast food sales, contract feeding and ice cream and frozen custard stands. Excludes drinking place sales.

Restaurants:

Establishments engaged in serving prepared food and beverages selected by the patron from a full menu. Waiter or waitress service is provided and the establishment has seating facilities for at least 15 patrons. These establishments often serve alcoholic beverages. Establishments in which sales of alcoholic beverages for consumption on the premises exceed receipts from sales of prepared foods and nonalcoholic beverages are classified as "Drinking places."

Fast Food:

Establishments primarily selling limited lines of refreshments and prepared food items. Included in this group are establishments which prepare refreshment items such as pizza, barbecued chicken, and hamburgers for consumption either on or near the premises or for "take-home" consumption.

Market Share:

Represents the percent of eating place sales from fast food units or from restaurants. It is indicative of customer preference for these types of establishments in that area.

Restaurant Activity Index (RAI):

The percent of U.S. eating place sales divided by the percent of U.S. food store sales, expressed as an index. An index greater than 100 indicates more than average propensity to eat out rather than at home.

Food Stores:

Establishments selling food primarily for home consumption. The definition embraces grocery stores, meat markets, fish markets, fruit and vegetable markets. Also included are candy, nut, and confectionery stores, dairy product stores, retail bakeries and egg and poultry dealers. Although food store sales include revenue from sales of nongrocery items, they still are most useful in determining how much people spend for food products.

Restaurant Growth Index (RGI):

The weighted percent of U.S. Daytime and Nighttime pop. (DNP), divided by the percent U.S. eating place sales expressed as an index.

The underlying theory behind the RGI is that each market has a certain propensity to eating out. If the demand is met by the supply, an equilibrium exists and the index is 100. If demand exceeds supply—that is, the potential is not being met—the index will exceed 100. And, if the supply exceeds demand, you'll find that the index will fall below 100. The degree to which demand and supply differ is measured in index points.

An index of 110 indicates that one could expect a 10 percent growth in that market, once the appropriate facilities are brought into the supply stream.

However, it is important to understand that RGI is designed as an initial guide—and not the final test—in determining the growth potential of a particular market. Other indices of a market area's potential include: disposable income, number and size of households, age distribution patterns, and ethnic composition—all of which the operator should weigh against his restaurant concept in terms of service level, menu selection, and pricing strategy. *All* the preceding factors must be reviewed to determine a market's growth potential.

Daytime and Nighttime Population (DNP):

This measure includes three separate components—The Daytime population which consists of both (1) the commuting workforce, and (2) transient population, and the Nighttime population which represents (3) the residents in the market.

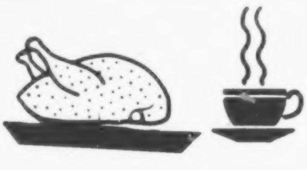
Television Market:

The TV markets are the American Research Bureau's Areas of Dominant Influence (ADIs). ARB studies each county for its measurable viewing patterns. The hours of viewing accorded each TV station

continued on page 180

Table 3

Sales Per Establishment (with payroll)



Kind of Business	1977	1972	1977-1972 % Growth
Eating Places	$228,857	$140,320	63
Restaurants	239,460	147,820	62
Fast Food Places	211,425	117,195	80
Social Caterers	201,790	168,115	20
Cafeterias	262,970	194,458	35
Contract Feeding	371,504	259,725	43
Ice Cream & Frozen Custard Stands	116,707	65,366	79

Source: 1977 Census of Retail Trade

whose signal reached the county are totalled; then each station's percentage share of total viewing hours is calculated. The market of origin of the TV stations with the largest share of viewing hours becomes the ADI name for that market, and all counties whose largest viewing share is given to stations of that same market of origin are grouped within the ADI. (For its purposes, ARB splits certain counties, treating each portion as if it were a separate county.) Each county, (or portion) is allocated exclusively to a single ADI; thus overlap is eliminated. All of the area of the United States is covered except for Hawaii and part of Alaska.

Standard Metropolitan Statistical Area (SMSA):

Revised criteria by the U.S. Office of Federal Statistical Policy and Standards provide that an SMSA must include either (1) one city with a population of at least 50,000; or (2) one city with a population of at least 25,000, which, when combined with contiguous places having a density of 1,000 or more people per square mile, will have a population of at least 50,000 (provided that the city and contiguous places are in a county or counties with a population of at least 75,000).

A contiguous county is included in an SMSA if at least 75 percent of the resident labor force is nonagricultural, and at least 30 percent of the resident employed workers work in the area. A contiguous county that does not satisfy those requirements will be included if at least 75 percent of the resident labor force is nonagricultural and if it meets at least two criteria of metropolitan character and one criterion of metropolitan integration.

Minimum criteria of character: (1) 25 percent of population is urban; (2) population gain of 15 percent between two most recent decennial censuses; and (3) density of 50 persons per square mile. Minimum criteria of integration: (1) 15 percent of resident employed workers work in the area; (2) 15 percent of the county's employed workers live in the area; and (3) sum of workers commuting to and from the central county or counties is equal to 20 percent of the employed workers living in the county.

SMSAs are defined by the government along county lines except in New England, where towns and cities are the units of definition. The federal government's alternative, but unofficial, New England County Metropolitan Areas, comprised of whole counties rather than cities and towns, are used for those states.

New England County Metropolitan Area (NECMA):

The U.S. Office of Federal Statistical Policy and Standards defines these areas (intentionally not designated as "standard" metro areas) by applying to the New England counties the same criteria used in establishing Standard Metropolitan Statistical Areas (SMSAs) outside New England. While they are not as satisfactory as the New England SMSAs in fulfilling the metropolitan concept (owing to the unique geographic characteristics of the region), they are more convenient for marketers who work with county units and are better suited to the development of demographic estimates. The name of each NECMA is composed of the names of the SMSA central cities that it contains.

Potential Metropolitan Area:

An area not officially designated as a Standard Metropolitan Statistical Area by the U.S. Office of Federal Statistical Policy and Standards, but that Market Statistics, Inc., the research division of Bill Communications that prepares these statistics, estimates comes closest to satisfying the qualifying criteria. Places are considered to meet the requirement of contiguity if they are less than one mile apart, or, where the gap separates populations totalling 50,000 or more, if they are less than two miles apart. No potential metropolitan area falls more than 12 percent short of satisfying all quantitative requirements, and most importantly, each area has a city or group of contiguous or nearly contiguous places with a combined population of at least 44,000.

As the name "potential metropolitan area" implies, *Sales & Marketing Management* so designates those areas because it considers them prime candidates to achieve standard metropolitan area status in the near future. From the marketing point of view, some are even more important than the smaller SMSAs, but have been deprived of official recognition because they do not meet all the requirements of the government. Of the 300 metropolitan areas, 33 are *Sales & Marketing Management* potential metropolitan areas. In the past, 80 percent of the potential areas have eventually received official status as a Standard Metropolitan Statistical Area by the U.S. Office of Federal Statistical Policy and Standards.

County:

The primary political administrative subdivision of a state, the county is widely used for marketing purposes for the following reasons: (1) The range of current available data below the state level is greatest at the county level. (2) Geographic boundaries are rarely altered. (3) Complete national coverage is achieved by adding all counties. (4) *Sales & Marketing Management's* 3,142 county units are manageable building blocks for alignment of sales territories. (5) County boundaries are readily identifiable.

For Louisiana, parishes are used in lieu of counties, while Alaska is tabulated by the census division delineated by the Census Bureau as county equivalents. The District of Columbia is treated as a single county unit. In Virginia, all cities are by law independent of counties; hence, the S&MM *Data Service* treats them as county units in themselves. The cities of Baltimore, Md., St. Louis, Mo., and Carson City, Nev., which replaced Ormsby County, are also considered as independent cities by the Census Bureau. In addition, the former Muscogee County, Ga., is administered by the consolidated city-county government of Columbus; hence, that county is listed as Columbus.

RGI Regional Summary

REGION State	12/31/79			1979							
	Population (Thous.)	% Of U.S.	Average Household Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food Sales ($000)	Fast Food Market Share (%)	Restaurant Sales ($000)	Restaurant Market Share (%)	RAI	RGI
NEW ENGLAND	**12,349.9**	**5.5734**	**2.86**	**4,028,699**	**3,672,104**	**1,114,539**	**30**	**2,006,193**	**55**	**100**	**108**
Connecticut	3,128.2	1.4118	2.86	970,805	883,397	280,896	32	449,410	51	98	116
Maine	1,106.0	0.4991	2.91	298,215	284,269	104,724	37	157,300	55	82	104
Massachusetts	5,787.5	2.6119	2.84	2,066,152	1,863,644	536,078	29	1,021,371	55	108	104
New Hampshire	897.8	0.4051	2.93	288,042	277,298	90,887	33	162,863	59	88	97
Rhode Island	933.1	0.4211	2.88	266,969	235,885	69,439	29	138,157	59	96	116
Vermont	497.3	0.2244	2.87	138,516	127,611	32,515	25	77,092	60	91	129
MIDDLE ATLANTIC	**36,887.3**	**16.6473**	**2.80**	**11,685,002**	**10,006,088**	**3,142,060**	**31**	**5,402,828**	**54**	**90**	**120**
New Jersey	7,341.8	3.3134	2.93	2,567,321	2,084,608	633,700	32	1,147,476	55	84	112
New York	17,776.0	8.0223	2.72	5,679,444	5,051,376	1,452,474	29	2,787,858	55	96	121
Pennsylvania	11,769.5	5.3116	2.84	3,438,237	2,870,104	1,025,886	36	1,467,494	51	85	124
EAST NORTH CENTRAL	**41,418.9**	**18.6924**	**2.89**	**15,273,972**	**13,024,059**	**4,977,607**	**38**	**6,672,318**	**51**	**104**	**95**
Illinois	11,259.3	5.0814	2.83	4,420,405	3,851,676	1,429,268	37	1,982,072	51	117	98
Indiana	5,386.4	2.4308	2.92	1,787,514	1,576,350	697,447	44	704,645	45	103	94
Michigan	9,223.1	4.1624	2.94	3,455,404	2,931,225	1,059,187	36	1,547,121	53	102	89
Ohio	10,811.6	4.8793	2.88	3,720,823	3,261,706	1,345,225	41	1,579,047	48	95	96
Wisconsin	4,738.5	2.1385	2.90	1,889,826	1,403,102	446,480	32	859,433	61	101	97
WEST NORTH CENTRAL	**17,246.7**	**7.7834**	**2.82**	**5,935,594**	**5,077,846**	**1,974,858**	**39**	**2,642,102**	**52**	**104**	**101**
Iowa	2,923.8	1.3196	2.83	981,248	795,202	314,806	40	419,233	53	93	106
Kansas	2,390.9	1.0790	2.74	779,829	722,936	346,104	48	310,140	43	108	94
Minnesota	4,071.8	1.8376	2.90	1,450,409	1,213,958	396,336	33	732,142	60	110	104
Missouri	4,899.3	2.2110	2.77	1,665,207	1,521,757	638,295	42	695,566	46	101	98
Nebraska	1,590.4	0.7177	2.79	569,883	451,161	167,145	37	249,443	55	108	106
North Dakota	688.1	0.3015	3.02	240,692	175,866	55,030	31	108,675	62	107	105
South Dakota	702.4	0.3170	2.91	248,326	196,966	57,142	29	126,903	64	105	96
SOUTH ATLANTIC	**35,339.2**	**15.9486**	**2.84**	**11,584,661**	**10,855,369**	**4,520,207**	**42**	**5,008,851**	**46**	**97**	**97**
Delaware	587.3	0.2650	2.88	180,651	166,598	66,086	40	81,921	49	89	106
District of Columbia	661.5	0.2985	2.38	409,101	384,733	111,618	29	189,673	49	292	118
Florida	8,956.8	4.0422	2.61	3,868,411	3,572,982	1,232,499	34	1,963,005	55	107	88
Georgia	5,166.2	2.3315	2.98	1,550,136	1,472,029	735,748	50	563,115	38	97	96
Maryland	4,183.2	1.8879	2.91	1,474,699	1,311,277	569,689	43	552,986	42	95	95
North Carolina	5,670.3	2.5590	2.93	1,421,615	1,372,914	654,179	48	564,097	41	87	103
South Carolina	2,967.9	1.3394	3.10	741,331	708,620	342,329	48	288,998	41	83	104
Virginia	5,260.9	2.3743	2.95	1,538,520	1,500,992	633,315	42	656,045	44	93	100
West Virginia	1,885.1	0.8508	2.87	400,197	365,224	174,744	48	149,011	41	65	125
EAST SOUTH ATLANTIC	**14,228.6**	**6.4214**	**2.94**	**3,478,971**	**3,291,564**	**1,576,765**	**48**	**1,340,892**	**41**	**80**	**105**
Alabama	3,815.4	1.7219	2.91	866,534	830,917	405,830	49	313,021	38	80	107
Kentucky	3,554.3	1.6040	2.96	939,456	872,401	432,283	50	356,076	41	79	100
Mississippi	2,433.6	1.0983	3.12	488,723	465,623	240,358	52	165,476	36	64	110
Tennessee	4,425.3	1.9972	2.85	1,184,258	1,122,623	498,294	44	506,319	45	88	106
WEST SOUTH CENTRAL	**22,682.9**	**10.2367**	**2.89**	**7,423,270**	**6,817,407**	**3,033,771**	**45**	**2,818,618**	**41**	**92**	**93**
Arkansas	2,221.8	1.0027	2.82	472,896	452,236	222,721	49	185,230	41	72	115
Louisiana	4,028.1	1.8179	3.08	1,145,001	1,004,333	416,920	42	414,703	41	76	106
Oklahoma	2,970.7	1.3406	2.66	844,441	798,625	373,331	47	317,364	40	88	99
Texas	13,462.3	6.0755	2.91	4,960,932	4,562,213	2,020,799	44	1,901,321	42	99	87
MOUNTAIN	**10,772.8**	**4.8618**	**2.90**	**4,042,966**	**3,541,862**	**1,237,124**	**35**	**1,957,554**	**55**	**105**	**118**
Arizona	2,495.5	1.1262	2.90	956,480	865,586	292,279	34	454,756	53	102	88
Colorado	2,783.9	1.2564	2.80	1,171,732	1,056,786	330,450	31	600,003	57	118	87
Idaho	914.7	0.4128	2.95	307,835	262,733	100,890	38	147,505	56	92	92
Montana	800.9	0.3615	2.77	319,814	231,006	77,451	34	144,010	62	93	100
Nevada	708.3	0.3197	2.70	351,363	296,099	101,971	34	176,093	59	118	386
New Mexico	1,247.9	0.5632	2.97	413,622	365,123	147,322	40	178,159	49	103	94
Utah	1,363.4	0.6153	3.30	344,201	324,086	135,552	42	172,668	53	95	114
Wyoming	458.2	0.2067	2.82	177,919	140,443	51,209	36	84,360	60	97	119
PACIFIC	**30,656.1**	**13.8350**	**2.67**	**13,297,532**	**12,066,804**	**4,069,841**	**34**	**7,058,900**	**58**	**120**	**86**
Alaska	421.9	0.1905	3.47	327,247	255,128	66,157	26	97,287	38	142	56
California	22,870.7	10.3215	2.63	9,660,347	8,887,036	3,053,279	34	5,201,732	59	116	87
Hawaii	917.9	0.4142	3.40	536,776	486,352	165,180	34	276,938	57	185	104
Oregon	2,534.5	1.1438	2.70	1,101,219	956,591	329,761	34	566,169	59	127	80
Washington	3,911.1	1.7650	2.72	1,671,943	1,481,697	455,464	31	916,774	62	122	82
United States Total	**221,582.4**	**100.0000**	**2.83**	**76,750,667**	**68,353,103**	**25,646,772**	**38**	**34,908,256**	**51**	**100**	**100**

Sales by Metropolitan Area

This segment of the RGI report shows 300 metropolitan areas which include 33 *Sales & Marketing Management* potential metropolitan areas. The remainder are Standard Metropolitan Statistical Areas.

	12/31/79		1979								
STATE Metro Name	Population (Thous.)	% Of U.S.	Average House-hold Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food Sales ($000)	Fast Food Market Share (%)	Restaurant Sales ($000)	Restaurant Market Share (%)	RAI	RGI
ALABAMA											
Anniston	119.8	0.0541	2.97	32,760	31,856	15,645	49	11,827	37	88	72
Birmingham	829.1	0.3743	2.81	246,671	234,972	107,290	46	94,221	40	96	105
Florence	129.4	0.0584	2.79	27,761	27,761	13,634	49	10,308	37	70	100
Gadsden	100.4	0.0453	2.80	25,601	24,481	12,025	49	9,088	37	93	88
Huntsville	297.0	0.1340	3.03	85,569	81,283	39,910	49	31,281	38	100	92
Mobile	446.1	0.2013	3.07	118,422	110,288	53,034	48	40,836	37	92	102
Montgomery	262.3	0.1184	3.01	85,832	82,495	38,606	47	28,075	34	122	91
Tuscaloosa	131.8	0.0595	3.21	37,394	36,119	17,739	49	13,410	37	107	80
Non-Metro Portion of State	1,452.9	0.6556	2.88	198,554	194,056	104,212	54	71,150	37	52	138
State Total	**3,815.4**	**1.7219**	**2.91**	**866,534**	**830,917**	**405,830**	**49**	**313,021**	**38**	**80**	**107**
ALASKA											
Anchorage	187.7	0.0847	3.19	139,875	109,418	39,674	36	51,181	47	127	68
Non-Metro Portion of State	234.2	0.1058	3.73	187,372	145,710	26,483	18	46,106	32	156	47
State Total	**421.9**	**0.1905**	**3.47**	**327,247**	**255,128**	**66,157**	**26**	**97,287**	**38**	**142**	**56**
ARIZONA											
Phoenix	1,389.6	0.6271	2.83	600,706	550,490	184,656	34	278,639	51	113	85
Tucson	485.0	0.2189	2.82	172,568	155,261	58,669	38	78,344	50	91	95
Non-Metro Portion of State	620.9	0.2802	3.13	183,206	159,835	48,954	31	97,773	61	83	93
State Total	**2,495.5**	**1.1262**	**2.90**	**956,480**	**865,586**	**292,279**	**34**	**454,756**	**53**	**102**	**88**
ARKANSAS											
Fayetteville - Springdale	164.8	0.0744	2.80	48,115	46,578	23,758	51	18,554	40	95	83
Fort Smith	196.9	0.0888	2.76	53,157	50,920	25,568	50	20,284	40	85	88
Little Rock - North Little Rock	388.3	0.1752	2.83	122,129	117,522	58,431	50	47,352	40	102	108
Pine Bluff	84.5	0.0382	2.99	18,976	17,989	9,176	51	7,166	40	76	113
Texarkana	119.3	0.0538	2.70	34,077	32,396	15,042	46	13,218	41	72	96
Non-Metro Portion of State	1,362.2	0.6147	2.80	222,219	212,239	101,860	48	89,209	42	59	130
State Total	**2,221.8**	**1.0027**	**2.82**	**472,896**	**452,236**	**222,721**	**49**	**185,230**	**41**	**72**	**115**
CALIFORNIA											
Anaheim - Santa Ana - Garden Grove	1,913.2	0.8634	2.67	918,289	870,784	301,536	35	523,133	60	133	78
Bakersfield	376.0	0.1697	2.97	138,718	127,301	46,924	37	72,622	57	91	71
Fresno	491.7	0.2219	2.95	171,872	154,940	64,941	42	84,135	54	88	83
Los Angeles - Long Beach	7,161.3	3.2319	2.54	3,081,034	2,872,634	951,686	33	1,674,958	58	120	91
Modesto	251.1	0.1133	2.69	84,465	77,107	34,089	44	37,794	49	87	85
Oxnard - Simi Valley - Ventura	505.3	0.2281	2.94	159,704	148,655	59,949	40	84,215	57	88	85

continued on page 186

	12/31/79			1979							
STATE Metro Name	Population (Thous.)	% Of U.S.	Average House-hold Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food Sales ($000)	Fast Food Market Share (%)	Restaurant Sales ($000)	Restaurant Market Share (%)	RAI	RGI
CALIFORNIA *continued*											
Riverside - San Bernardino - Ontario	1,454.8	0.6566	2.66	524,040	481,220	200,600	42	251,838	52	109	83
Sacramento	980.5	0.4425	2.71	430,153	391,820	142,113	36	221,116	56	109	74
Salinas - Seaside - Monterey	285.5	0.1289	3.38	122,983	114,131	29,896	26	77,552	68	137	81
San Diego	1,841.2	0.8309	2.61	718,601	653,941	250,526	38	373,503	57	126	91
San Francisco - Oakland	3,222.7	1.4544	2.46	1,599,932	1,442,147	432,242	30	875,498	61	128	95
San Jose	1,262.7	0.5698	2.78	528,448	488,342	180,828	37	266,798	55	115	91
Santa Barbara - Santa Maria - Lompoc	297.2	0.1342	2.76	157,682	148,435	40,471	27	101,268	68	163	73
Santa Cruz	180.0	0.0813	2.54	80,041	73,652	25,799	35	44,026	60	108	66
Santa Rosa	282.5	0.1275	2.60	113,576	100,862	32,375	32	60,782	60	90	78
Stockton	322.1	0.1454	2.95	118,791	105,442	39,923	38	58,693	56	95	76
Vallejo - Fairfield - Napa	312.5	0.1410	2.77	115,945	104,647	36,255	35	64,094	61	106	74
Non-Metro Portion of State	1,730.4	0.7807	2.69	596,073	530,976	183,126	34	329,707	62	85	84
State Total	**22,870.7**	**10.3215**	**2.63**	**9,660,347**	**8,887,036**	**3,053,279**	**34**	**5,201,732**	**59**	**116**	**87**
COLORADO											
Colorado Springs	298.8	0.1348	3.01	99,878	92,021	42,096	46	43,720	48	114	102
Denver - Boulder	1,584.0	0.7150	2.77	714,815	644,459	197,736	31	355,648	55	123	87
Fort Collins	136.7	0.0617	2.81	58,634	55,496	17,611	32	31,367	57	129	67
Greeley	115.2	0.0520	2.95	31,762	27,639	8,772	32	15,620	57	101	96
Pueblo	123.4	0.0557	2.82	39,963	33,569	10,653	32	18,973	57	87	103
Non-Metro Portion of State	525.8	0.2372	2.73	226,680	203,602	53,582	26	134,675	66	114	82
State Total	**2,783.9**	**1.2564**	**2.80**	**1,171,732**	**1,056,786**	**330,450**	**31**	**600,003**	**57**	**118**	**87**
CONNECTICUT											
Bridgeport - Stamford - Norwalk - Danbury	816.6	0.3685	2.86	246,468	224,960	58,364	26	130,171	58	93	120
Hartford - New Britain - Bristol	1,053.1	0.4753	2.87	361,188	331,346	110,785	33	148,348	45	107	117
New Haven - West Haven - Waterbury - Meriden	759.5	0.3427	2.82	241,891	221,872	77,768	35	113,244	51	101	108
New London - Norwich	245.7	0.1109	2.99	64,914	55,593	18,284	33	30,935	56	91	113
Non-Metro Portion of State	253.3	0.1144	2.86	56,344	49,626	15,695	32	26,712	54	76	128
State Total	**3,128.2**	**1.4118**	**2.86**	**970,805**	**883,397**	**280,896**	**32**	**449,410**	**51**	**98**	**116**
DELAWARE											
Wilmington	519.9	0.2346	2.92	154,742	140,089	55,773	40	70,452	50	95	113
Non-Metro Portion of State	188.3	0.0849	2.85	63,005	58,296	20,574	35	31,394	54	82	77
State Total	**587.3**	**0.2650**	**2.88**	**180,651**	**166,598**	**66,086**	**40**	**81,921**	**49**	**89**	**106**
DISTRICT OF COLUMBIA											
Washington	3,054.6	1.3787	2.81	1,284,516	1,231,713	441,180	36	575,040	47	130	105
Non-Metro Portion of State	0.0	0.0000	2.88	0	0	0	0	0	0	0	0
State Total	**661.5**	**0.2985**	**2.38**	**409,101**	**384,733**	**111,618**	**29**	**189,673**	**49**	**292**	**118**
FLORIDA											
Bradenton	136.3	0.0615	2.28	64,545	59,301	20,593	35	32,440	55	105	67
Daytona Beach	224.9	0.1015	2.41	131,266	119,356	39,761	33	66,050	55	142	80
Fort Lauderdale - Hollywood	927.6	0.4186	2.46	556,659	516,018	142,764	28	330,326	64	135	68
Fort Myers - Cape Coral	199.7	0.0901	2.47	79,642	74,674	25,932	35	40,850	55	90	88
Gainesville	137.6	0.0621	2.95	64,607	60,934	21,160	35	33,333	55	125	56

continued on page 188

	12/31/79			1979							
STATE Metro Name	Population (Thous.)	% Of U.S.	Average House-hold Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food Sales ($000)	Fast Food Market Share (%)	Restaurant Sales ($000)	Restaurant Market Share (%)	RAI	RGI
FLORIDA *continued*											
Jacksonville	720.2	0.3251	2.88	241,929	227,026	110,539	49	94,387	42	100	102
Lakeland - Winter Haven	284.4	0.1283	2.75	101,048	95,218	41,404	43	42,571	45	89	82
Melbourne - Titusville - Cocoa	257.3	0.1161	2.98	105,246	95,715	36,910	39	49,967	52	115	75
Miami	1,494.9	0.6746	2.63	674,428	627,835	180,861	29	356,101	57	122	107
Orlando	627.0	0.2829	2.71	295,956	280,287	114,804	41	136,487	49	114	108
Panama City	96.8	0.0437	2.87	48,555	44,383	15,413	35	24,279	55	165	71
Pensacola	281.8	0.1271	3.00	87,596	75,888	36,738	48	29,515	39	89	90
Sarasota	179.9	0.0812	2.23	113,050	106,469	27,729	26	66,143	62	136	63
Tallahassee	146.7	0.0663	2.90	61,381	57,881	20,101	35	31,664	55	113	76
Tampa - St. Petersburg	1,474.6	0.6656	2.37	615,516	563,981	204,051	36	289,221	51	98	88
West Palm Beach - Boca Raton	517.5	0.2335	2.58	241,314	216,863	56,445	26	142,754	66	101	89
Non-Metro Portion of State	1,249.6	0.5640	2.75	385,673	351,153	137,294	39	196,917	56	75	89
State Total	**8,956.8**	**4.0422**	**2.61**	**3,868,411**	**3,572,982**	**1,232,499**	**34**	**1,963,005**	**55**	**107**	**88**
GEORGIA											
Albany	107.6	0.0485	3.22	27,654	26,707	13,250	50	10,386	39	100	103
Athens	108.5	0.0490	2.92	33,824	32,096	17,944	56	11,581	36	114	76
Atlanta	1,906.7	0.8605	2.89	792,364	752,964	353,655	47	291,551	39	132	93
Augusta	292.9	0.1322	3.16	87,977	81,494	37,572	46	36,974	45	95	84
Columbus	227.1	0.1025	3.11	65,790	61,198	30,436	50	23,529	38	110	86
Macon	248.4	0.1121	3.09	73,247	69,432	34,606	50	26,838	39	96	94
Savannah	219.9	0.0992	3.05	77,199	70,428	35,083	50	27,213	39	113	89
Non-Metro Portion of State	2,099.1	0.9473	2.99	404,121	389,043	217,771	56	139,970	36	63	107
State Total	**5,166.2**	**2.3315**	**2.98**	**1,550,136**	**1,472,029**	**735,748**	**50**	**563,115**	**38**	**97**	**96**
HAWAII											
Honolulu	740.1	0.3340	3.45	441,457	395,184	140,821	36	215,540	55	212	93
Non-Metro Portion of State	177.8	0.0802	3.23	95,319	91,168	24,359	27	61,398	67	120	151
State Total	**917.9**	**0.4142**	**3.40**	**536,776**	**486,352**	**165,180**	**34**	**276,938**	**57**	**185**	**104**
IDAHO											
Boise	160.1	0.0723	2.87	91,896	84,171	32,148	38	46,735	56	137	61
Pocatello	70.9	0.0320	3.10	26,149	22,715	8,738	38	12,803	56	97	82
Non-Metro Portion of State	683.7	0.3085	2.96	189,790	155,847	60,004	39	87,967	56	78	110
State Total	**914.7**	**0.4128**	**2.95**	**307,835**	**262,733**	**100,890**	**38**	**147,505**	**56**	**92**	**92**
ILLINOIS											
Bloomington - Normal	121.2	0.0547	2.98	51,551	45,297	17,045	38	23,088	51	127	96
Champaign - Urbana - Rantoul	167.3	0.0755	2.98	84,645	74,984	28,218	38	38,219	51	152	64
Chicago	6,998.4	3.1585	2.87	2,963,628	2,650,145	918,128	35	1,398,773	53	131	98
Danville	98.3	0.0443	2.71	32,020	25,820	11,338	44	12,274	48	91	108
Davenport - Rock Island - Moline	378.1	0.1707	2.82	166,623	136,695	56,218	41	67,081	49	119	86
Decatur	129.8	0.0585	2.66	48,752	39,242	14,768	38	20,001	51	90	109
Kankakee	98.1	0.0442	3.11	39,498	34,564	13,007	38	17,617	51	125	79
Peoria	367.6	0.1660	2.81	143,261	121,072	53,705	44	56,811	47	104	101
Quincy	69.9	0.0316	2.74	24,580	18,605	8,171	44	8,844	48	88	117
Rockford	271.3	0.1224	2.77	103,619	90,955	30,458	33	52,384	58	110	92
Springfield	186.3	0.0842	2.58	77,888	66,188	24,918	38	33,750	51	101	112
Non-Metro Portion of State	1,946.0	0.8783	2.72	573,004	465,191	204,386	44	221,239	48	83	103
State Total	**11,259.3**	**5.0814**	**2.83**	**4,420,405**	**3,851,676**	**1,429,268**	**37**	**1,982,072**	**51**	**117**	**98**

continued on page 190

Circle No. 188 on Reader Service Card for CALIF MILK (Sectional) →

STATE Metro Name	12/31/79 Population (Thous.)	12/31/79 % Of U.S.	12/31/79 Average House-hold Size	1979 Eating & Drinking Place Sales ($000)	1979 Eating Place Sales ($000)	1979 Fast Food Sales ($000)	1979 Fast Food Market Share (%)	1979 Restaurant Sales ($000)	1979 Restaurant Market Share (%)	1979 RAI	1979 RGI
INDIANA											
Anderson	137.2	0.0619	2.83	47,781	41,277	18,763	45	18,000	44	102	89
Bloomington	94.5	0.0426	2.98	33,582	30,598	13,907	45	13,342	44	119	79
Elkhart	136.2	0.0614	2.93	53,467	46,544	19,910	43	21,614	46	107	84
Evansville	294.3	0.1327	2.84	112,069	95,421	44,386	47	39,569	41	116	95
Fort Wayne	374.6	0.1690	2.96	161,302	143,862	52,672	37	80,897	56	137	81
Gary - Hammond - East Chicago	648.3	0.2926	3.09	232,990	204,882	90,248	44	97,580	48	98	84
Indianapolis	1,168.1	0.5272	2.89	414,316	382,187	183,610	48	144,553	38	111	99
Kokomo	104.8	0.0474	2.86	39,120	34,516	15,689	45	15,054	44	112	81
Lafayette - West Lafayette	115.8	0.0522	3.09	48,291	44,053	20,024	45	19,213	44	138	77
Marion	83.9	0.0379	2.98	22,397	18,722	8,008	43	8,679	46	82	112
Michigan City - La Porte	106.0	0.0479	3.03	32,871	27,126	11,604	43	12,576	46	85	101
Muncie	126.0	0.0569	2.99	43,717	38,720	17,598	45	16,885	44	109	84
South Bend	278.9	0.1258	2.97	106,514	93,081	35,982	39	46,534	50	123	92
Terre Haute	172.0	0.0777	2.74	55,712	46,522	21,146	45	20,289	44	104	95
Non-Metro Portion of State	1,404.5	0.6337	2.89	339,395	291,859	124,865	43	135,292	46	79	108
State Total	**5,386.4**	**2.4308**	**2.92**	**1,787,514**	**1,576,350**	**697,447**	**44**	**704,645**	**45**	**103**	**94**
IOWA											
Cedar Rapids	170.2	0.0768	2.89	68,938	56,803	22,158	39	29,511	52	109	99
Davenport - Rock Island - Moline	378.1	0.1707	2.82	166,623	136,695	56,218	41	67,081	49	119	86
Des Moines	337.6	0.1524	2.80	146,044	125,972	50,494	40	58,064	46	101	113
Dubuque	96.1	0.0434	3.37	37,642	30,318	11,825	39	15,752	52	109	96
Iowa City	81.1	0.0366	2.90	35,498	29,471	11,616	39	16,284	55	124	77
Sioux City	120.7	0.0544	2.87	45,187	35,991	13,990	39	18,809	52	90	111
Waterloo - Cedar Falls	139.1	0.0628	3.03	51,836	41,557	16,211	39	21,590	52	99	98
Non-Metro Portion of State	1,753.1	0.7912	2.78	497,322	393,597	155,245	39	217,665	55	83	112
State Total	**2,923.8**	**1.3196**	**2.83**	**981,248**	**795,202**	**314,806**	**40**	**419,233**	**53**	**93**	**106**
KANSAS											
Lawrence	67.9	0.0306	2.97	21,990	19,357	9,409	49	8,154	42	113	80
Topeka	190.5	0.0859	2.77	65,058	59,887	29,110	49	25,226	42	104	109
Wichita	402.0	0.1815	2.80	186,458	175,146	86,676	49	68,335	39	148	79
Non-Metro Portion of State	1,286.0	0.5804	2.66	334,612	303,811	137,934	45	145,514	48	87	108
State Total	**2,390.9**	**1.0790**	**2.74**	**779,829**	**722,936**	**346,104**	**48**	**310,140**	**43**	**108**	**94**
KENTUCKY											
Clarksville - Hopkinsville	159.6	0.0720	3.42	36,268	33,554	15,659	47	14,499	43	101	86
Huntington - Ashland	302.0	0.1362	2.83	70,345	64,747	36,430	56	22,020	34	69	116
Lexington-Fayette	309.0	0.1395	2.92	120,421	114,042	57,745	51	42,704	37	108	85
Louisville	893.4	0.4032	2.88	358,805	322,679	159,492	49	124,433	39	114	90
Owensboro	84.0	0.0379	3.04	28,065	24,945	12,490	50	10,050	40	94	87
Non-Metro Portion of State	1,950.4	0.8804	2.96	341,879	327,941	169,121	52	137,675	42	56	117
State Total	**3,554.3**	**1.6040**	**2.96**	**939,456**	**872,401**	**432,283**	**50**	**356,076**	**41**	**79**	**100**
LOUISIANA											
Alexandria	140.7	0.0635	3.21	27,502	25,470	10,869	43	10,363	41	64	126
Baton Rouge	457.2	0.2063	3.03	131,798	116,591	58,106	50	48,482	42	72	113
Lafayette	139.0	0.0627	3.18	54,366	48,131	20,526	43	19,562	41	98	82
Lake Charles	158.9	0.0717	2.98	48,468	43,953	18,744	43	17,864	41	69	94
Monroe	134.3	0.0606	2.93	36,695	33,439	14,257	43	13,591	41	80	112

continued on page 192

	12/31/79			1979							
STATE Metro Name	Population (Thous.)	% Of U.S.	Average Household Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food Sales ($000)	Fast Food Market Share (%)	Restaurant Sales ($000)	Restaurant Market Share (%)	RAI	RGI
LOUISIANA *continued*											
New Orleans	1,163.8	0.5252	2.89	463,449	402,180	154,361	38	189,068	47	95	106
Shreveport	363.6	0.1641	2.96	107,645	99,042	45,164	46	37,762	38	94	98
Non-Metro Portion of State	1,470.6	0.6638	3.30	275,078	235,527	94,893	40	78,011	33	55	109
State Total	**4,028.1**	**1.8179**	**3.08**	**1,145,001**	**1,004,333**	**416,920**	**42**	**414,703**	**41**	**76**	**106**
MAINE											
Bangor	141.1	0.0637	3.08	34,481	32,437	11,948	37	17,947	55	74	114
Lewiston - Auburn	94.8	0.0428	2.80	27,630	26,000	9,576	37	14,384	55	89	94
Portland	234.1	0.1056	2.83	76,581	73,813	27,200	37	40,853	55	85	105
Non-Metro Portion of State	636.0	0.2870	2.92	159,523	152,019	56,000	37	84,116	55	82	102
State Total	**1,106.0**	**0.4991**	**2.91**	**298,215**	**284,269**	**104,724**	**37**	**157,300**	**55**	**82**	**104**
MARYLAND											
Baltimore	2,158.2	0.9740	2.89	782,253	664,284	290,604	44	262,154	39	96	97
Hagerstown	109.8	0.0495	2.77	32,485	27,188	11,299	42	13,334	49	75	106
Non-Metro Portion of State	531.6	0.2400	2.85	182,174	165,728	68,866	42	81,299	49	93	78
State Total	**4,183.2**	**1.8879**	**2.91**	**1,474,699**	**1,311,277**	**569,689**	**43**	**552,986**	**42**	**95**	**95**
MASSACHUSETTS											
Boston - Lowell - Brockton - Lawrence - Haverhill	3,901.6	1.7608	2.86	1,449,135	1,320,107	373,933	28	730,161	55	117	105
New Bedford - Fall River	470.7	0.2125	2.77	141,393	125,911	48,388	38	61,950	49	92	91
Pittsfield	141.6	0.0639	2.79	43,394	36,092	12,718	35	19,365	54	69	135
Springfield - Chicopee - Holyoke	588.3	0.2655	2.88	176,689	152,145	45,078	30	76,560	50	74	114
Worcester - Fitchburg - Leominster	646.7	0.2919	2.91	178,202	159,664	48,075	30	80,473	50	81	112
Non-Metro Portion of State	225.6	0.1017	2.57	150,861	140,969	31,136	22	95,042	67	157	58
State Total	**5,787.5**	**2.6119**	**2.84**	**2,066,152**	**1,863,644**	**536,078**	**29**	**1,021,371**	**55**	**108**	**104**
MICHIGAN											
Ann Arbor	258.6	0.1167	2.98	119,827	109,599	40,142	37	57,544	53	185	75
Battle Creek	183.6	0.0829	2.81	64,569	56,193	20,584	37	29,505	53	126	90
Bay City	120.7	0.0545	3.05	42,225	32,090	11,755	37	16,847	52	85	91
Benton Harbor - St. Joseph	213.7	0.0964	2.80	72,739	58,704	20,405	35	34,877	59	83	90
Detroit	4,371.9	1.9730	2.94	1,742,771	1,513,430	548,344	36	766,669	51	100	90
Flint	522.5	0.2358	2.91	187,686	156,477	60,612	39	75,951	49	93	91
Grand Rapids	587.7	0.2652	2.99	231,554	202,908	60,175	30	124,896	62	155	80
Jackson	152.5	0.0688	2.94	4[illegible],658	37,296	13,660	37	19,582	53	121	105
Kalamazoo - Portage	275.1	0.1242	2.93	100,202	87,579	33,658	38	47,072	54	124	85
Lansing - East Lansing	464.2	0.2095	2.94	173,556	146,195	62,670	43	69,149	47	118	87
Muskegon - Norton Shores - Muskegon Heights	179.4	0.0809	2.93	53,537	45,329	16,606	37	23,798	53	103	87
Saginaw	227.7	0.1028	3.06	111,002	93,511	34,253	37	49,103	53	120	70
Non-Metro Portion of State	1,532.8	0.6918	2.90	484,522	368,981	128,353	35	219,414	59	79	93
State Total	**9,223.1**	**4.1624**	**2.94**	**3,455,404**	**2,931,225**	**1,059,187**	**36**	**1,547,121**	**53**	**102**	**89**
MINNESOTA											
Duluth - Superior	266.1	0.1202	2.72	97,138	73,813	24,987	34	44,714	61	91	107
Fargo - Moorhead	138.5	0.0625	3.03	73,724	58,173	18,965	33	35,451	61	145	82
Minneapolis - St. Paul	2,074.6	0.9362	2.88	854,716	734,543	252,251	34	426,288	58	123	104

continued on page 194

	12/31/79		1979								
						Fast Food		Restaurant			
STATE Metro Name	Population (Thous.)	% Of U.S.	Average House-hold Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Sales ($000)	Market Share (%)	Sales ($000)	Market Share (%)	RAI	RGI
MINNESOTA *continued*											
Rochester	94.0	0.0424	2.97	38,942	34,738	11,383	33	20,941	60	126	140
St. Cloud	165.3	0.0745	3.47	49,405	38,410	12,587	33	23,155	60	127	93
Non-Metro Portion of State	1,474.1	0.6654	2.89	407,877	327,057	93,696	29	213,719	65	90	105
State Total	**4,071.8**	**1.8376**	**2.90**	**1,450,409**	**1,213,958**	**396,336**	**33**	**732,142**	**60**	**110**	**104**
MISSISSIPPI											
Biloxi - Gulfport	180.5	0.0815	3.19	60,035	54,673	28,712	53	19,389	35	99	91
Hattiesburg	83.8	0.0379	2.95	33,245	31,748	16,944	53	12,104	38	138	62
Jackson	308.3	0.1392	3.15	115,934	112,237	52,199	47	32,998	29	114	89
Meridian	72.3	0.0327	2.87	23,683	22,809	12,178	53	8,610	38	78	93
Pascagoula - Moss Point	117.7	0.0532	3.22	25,546	23,488	12,336	53	8,330	35	63	116
Non-Metro Portion of State	1,617.0	0.7295	3.11	224,514	214,902	115,084	54	81,839	38	46	133
State Total	**2,433.6**	**1.0983**	**3.12**	**488,723**	**465,623**	**240,358**	**52**	**165,476**	**36**	**64**	**110**
MISSOURI											
Columbia	93.8	0.0423	3.01	45,975	43,933	18,344	42	20,265	46	154	69
Joplin	121.6	0.0548	2.57	41,707	38,769	16,517	43	19,647	51	103	77
Kansas City	1,333.5	0.6018	2.68	565,287	529,846	232,956	44	227,967	43	129	92
St. Joseph	101.7	0.0459	2.64	33,617	29,582	12,352	42	13,645	46	97	97
St. Louis	2,390.3	1.0789	2.95	890,805	788,274	341,714	43	343,227	44	100	98
Springfield	210.1	0.0949	2.75	84,735	79,678	36,530	46	32,521	41	128	78
Non-Metro Portion of State	1,675.8	0.7561	2.71	357,537	318,941	136,281	43	162,450	51	71	113
State Total	**4,899.3**	**2.2110**	**2.77**	**1,665,207**	**1.521,757**	**638,295**	**42**	**695,566**	**46**	**101**	**98**
MONTANA											
Billings	107.8	0.0487	2.74	52,220	42,520	14,342	34	26,244	62	102	89
Great Falls	86.6	0.0391	2.80	38,269	27,653	9,328	34	17,069	62	104	97
Missoula	71.1	0.0321	2.82	35,778	26,796	8,960	33	16,592	62	113	82
Non-Metro Portion of State	535.4	0.2416	2.76	193,547	134,037	44,821	33	84,105	63	86	108
State Total	**800.9**	**0.3615**	**2.77**	**319,814**	**231,006**	**77,451**	**34**	**144,010**	**62**	**93**	**100**
NEBRASKA											
Lincoln	189.4	0.0854	2.76	84,823	73,529	27,919	38	39,909	54	138	91
Omaha	593.3	0.2679	2.96	251,339	203,805	76,495	38	108,724	53	122	100
Non-Metro Portion of State	877.1	0.3958	2.70	261,093	195,707	71,482	37	113,114	58	91	114
State Total	**1,590.4**	**0.7177**	**2.79**	**569,883**	**451,161**	**167,145**	**37**	**249,443**	**55**	**108**	**106**
NEVADA											
Las Vegas	400.3	0.1807	2.74	208,422	172,073	59,092	34	102,175	59	112	449
Reno	175.9	0.0794	2.55	95,642	85,781	29,598	35	51,072	60	136	232
Non-Metro Portion of State	132.1	0.0596	2.78	47,299	38,245	13,281	35	22,846	60	114	450
State Total	**708.3**	**0.3197**	**2.70**	**351,363**	**296,099**	**101,971**	**34**	**176,093**	**59**	**118**	**386**
NEW HAMPSHIRE											
Manchester - Nashua	268.8	0.1213	2.92	83,348	78,941	26,153	33	45,429	58	93	104
Non-Metro Portion of State	442.0	0.1994	2.87	131,172	127,113	41,484	33	75,254	59	84	109
State Total	**897.8**	**0.4051**	**2.93**	**288,042**	**277,298**	**90,887**	**33**	**162,863**	**59**	**88**	**97**

continued on page 196

	12/31/79			1979							
STATE Metro Name	Population (Thous.)	% Of U.S.	Average House-hold Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food Sales ($000)	Fast Food Market Share (%)	Restaurant Sales ($000)	Restaurant Market Share (%)	RAI	RGI
NEW JERSEY											
Atlantic City	191.5	0.0865	2.56	102,895	82,641	26,898	33	50,862	62	118	204
Jersey City	550.4	0.2484	2.61	136,518	95,480	31,974	33	48,936	51	62	159
Long Branch - Asbury Park	502.3	0.2267	3.18	195,105	161,487	50,236	31	96,402	60	92	84
Newark	1,938.7	0.8748	2.94	653,941	531,907	155,515	29	282,919	53	80	122
New Brunswick - Perth Amboy - Sayreville	589.8	0.2662	3.25	195,070	150,126	62,249	41	66,914	45	77	106
Paterson - Clifton - Passaic	449.4	0.2028	2.77	146,112	119,883	34,872	29	65,756	55	102	111
Trenton	320.5	0.1446	2.90	106,357	81,541	25,920	32	43,380	53	76	144
Vineland - Millville - Bridgeton	132.1	0.0596	2.94	37,973	29,442	9,438	32	16,141	55	52	113
Non-Metro Portion of State	613.2	0.2769	2.92	258,282	207,260	57,652	28	135,229	65	80	83
State Total	**7,341.8**	**3.3134**	**2.93**	**2,567,321**	**2,084,608**	**663,700**	**32**	**1,147,476**	**55**	**84**	**112**
NEW MEXICO											
Albuquerque	421.0	0.1900	2.80	173,986	156,826	62,092	40	72,461	46	133	88
Las Cruces	91.0	0.0411	3.29	26,240	21,903	8,859	40	11,117	51	101	90
Santa Fe	66.3	0.0300	2.99	37,092	35,348	14,401	41	17,878	51	168	67
Non-Metro Portion of State	669.6	0.3021	3.04	176,304	151,046	61,970	41	76,703	51	78	107
State Total	**1,247.9**	**0.5632**	**2.97**	**413,622**	**365,123**	**147,322**	**40**	**178,159**	**49**	**103**	**94**
NEW YORK											
Albany - Schenectady - Troy	787.1	0.3551	2.81	282,187	243,727	72,183	30	134,815	55	95	99
Binghamton	302.7	0.1365	2.75	88,053	73,928	24,242	33	41,333	56	81	100
Buffalo	1,278.8	0.5770	2.75	461,418	383,235	125,907	33	204,413	53	89	97
Elmira	96.2	0.0434	2.76	25,950	21,596	6,194	29	11,932	55	70	119
Jamestown	141.2	0.0638	2.61	53,491	44,807	13,736	31	25,875	58	121	80
Nassau - Suffolk	2,699.9	1.2185	3.24	822,104	759,843	226,438	30	395,731	52	88	102
Newburgh - Middletown	255.3	0.1153	2.93	69,842	61,447	17,760	29	36,428	59	59	103
New York	9,266.3	4.1819	2.55	3,066,608	2,782,680	761,966	27	1,560,576	56	111	135
Poughkeepsie	236.3	0.1067	3.02	63,432	56,116	16,097	29	31,003	55	62	112
Rochester	967.1	0.4366	2.78	309,915	271,676	82,737	30	149,780	55	87	108
Syracuse	645.4	0.2912	2.93	222,951	192,509	56,063	29	101,787	53	83	102
Utica - Rome	322.5	0.1456	2.77	102,443	85,387	31,524	37	40,410	47	84	95
Non-Metro Portion of State	1,680.4	0.7585	2.85	470,802	390,047	119,576	31	225,205	58	74	117
State Total	**17,776.0**	**8.0223**	**2.72**	**5,679,444**	**5,051,376**	**1,452,474**	**29**	**2,787,858**	**55**	**96**	**121**
NORTH CAROLINA											
Asheville	172.0	0.0777	2.66	53,182	50,242	23,982	48	20,690	41	98	104
Burlington	101.4	0.0457	2.85	26,110	25,502	12,171	48	10,501	41	87	100
Charlotte - Gastonia	619.9	0.2797	2.93	197,830	191,448	90,765	47	77,093	40	97	108
Fayetteville	236.8	0.1068	3.33	60,858	55,408	26,448	48	22,819	41	108	88
Greensboro - Winston-Salem - High Point	791.1	0.3571	2.81	256,375	249,096	107,182	43	94,152	38	111	94
Kannapolis - Concord - Salisbury	176.0	0.0795	2.77	37,846	36,069	18,448	51	15,225	42	78	108
Raleigh - Durham	508.8	0.2296	2.82	183,237	178,170	76,213	43	76,139	43	115	99
Wilmington	133.8	0.0604	2.65	44,558	42,872	20,463	48	17,654	41	96	89
Non-Metro Portion of State	2,920.2	1.3178	3.01	560,699	543,244	278,053	51	229,474	42	70	110
State Total	**5,670.3**	**2.5590**	**2.93**	**1,421,615**	**1,372,914**	**654,179**	**48**	**564,097**	**41**	**87**	**103**
NORTH DAKOTA											
Bismarck	79.1	0.0357	2.98	33,161	27,179	8,242	30	16,798	62	109	100
Fargo - Moorhead	138.5	0.0625	3.03	73,724	58,173	18,965	33	35,451	61	145	82

continued on page 198

	12/31/79			1979		Fast Food		Restaurant			
STATE Metro Name	Population (Thous.)	% Of U.S.	Average Household Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Sales ($000)	Market Share (%)	Sales ($000)	Market Share (%)	RAI	RGI
NORTH DAKOTA *continued*											
Grand Forks	103.3	0.0467	3.06	40,696	30,169	9,831	33	18,389	61	128	97
Non-Metro Portion of State	433.7	0.1957	3.01	125,220	82,873	25,374	31	51,711	62	84	126
State Total	**668.1**	**0.3015**	**3.02**	**240,692**	**175,866**	**55,030**	**31**	**108,675**	**62**	**107**	**105**
OHIO											
Akron	659.5	0.2976	2.89	250,727	222,084	90,560	41	117,116	53	95	86
Canton	407.8	0.1840	2.87	145,650	127,355	50,784	40	65,481	51	88	85
Cincinnati	1,385.8	0.6254	2.86	571,284	510,357	211,481	41	236,860	46	110	88
Cleveland	1,934.4	0.8731	2.82	719,188	628,087	223,886	36	331,537	53	97	104
Columbus	1,110.2	0.5009	2.83	450,011	404,345	180,004	45	186,415	46	122	90
Dayton	838.1	0.3782	2.87	297,792	268,358	121,609	45	120,137	45	108	93
Hamilton - Middletown	261.9	0.1182	3.03	75,345	63,445	38,051	60	21,019	33	75	100
Lima	210.4	0.0950	2.96	69,549	63,092	26,201	42	30,360	48	102	87
Lorain - Elyria	274.9	0.1241	3.09	68,993	54,883	24,216	44	25,209	46	66	130
Mansfield	130.0	0.0587	2.93	42,987	37,343	15,507	42	17,970	48	91	94
Newark	119.7	0.0540	2.95	32,767	28,533	11,892	42	13,759	48	85	103
Parkersburg - Marietta	159.0	0.0717	2.89	45,323	41,086	18,259	44	18,243	44	74	103
Springfield	182.5	0.0824	2.91	46,678	42,022	17,450	42	20,218	48	73	121
Steubenville - Weirton	161.4	0.0728	2.88	39,774	31,608	13,796	44	14,339	45	63	132
Toledo	784.9	0.3542	2.80	300,852	263,336	99,152	38	133,558	51	104	91
Youngstown - Warren	547.1	0.2469	3.07	166,619	141,552	61,184	43	67,260	48	83	101
Non-Metro Portion of State	2,089.3	0.9432	2.94	538,216	458,790	191,205	42	221,259	48	75	101
State Total	**10,811.6**	**4.8793**	**2.88**	**3,720,823**	**3,261,706**	**1,345,225**	**41**	**1,579,047**	**48**	**95**	**96**
OKLAHOMA											
Enid	66.2	0.0299	2.59	23,888	22,931	10,622	46	9,594	42	118	80
Lawton	123.9	0.0559	3.26	25,874	23,790	11,105	47	9,481	40	93	102
Oklahoma City	809.1	0.3652	2.68	327,644	308,405	148,105	48	115,265	37	116	85
Tulsa	642.1	0.2898	2.62	201,689	192,339	87,026	45	75,402	39	90	106
Non-Metro Portion of State	1,260.2	0.5686	2.62	255,464	241,762	112,085	46	103,878	43	67	111
State Total	**2,970.7**	**1.3406**	**2.66**	**844,441**	**798,625**	**373,331**	**47**	**317,364**	**40**	**88**	**99**
OREGON											
Eugene - Springfield	267.9	0.1209	2.75	102,843	90,725	37,314	41	46,099	51	110	87
Portland	1,188.4	0.5364	2.66	572,885	494,453	168,295	34	287,905	58	154	84
Salem	237.1	0.1069	2.77	89,666	79,046	27,310	35	46,517	59	139	76
Non-Metro Portion of State	1,020.4	0.4605	2.72	396,069	343,064	115,500	34	214,767	63	102	76
State Total	**2,534.5**	**1.1438**	**2.70**	**1,101,219**	**956,591**	**329,761**	**34**	**566,169**	**59**	**127**	**80**
PENNSYLVANIA											
Allentown - Bethlehem - Easton	627.1	0.2829	2.77	194,826	170,030	64,524	38	78,481	46	80	104
Altoona	134.4	0.0607	2.75	38,600	33,272	11,943	36	16.976	51	75	106
Erie	268.3	0.1211	3.01	78,008	63,251	27,143	43	30,650	48	100	122
Harrisburg	435.6	0.1967	2.73	163,352	139,431	57,793	41	67,050	48	89	113
Johnstown	267.3	0.1206	2.83	59,418	46,116	22,594	49	18,988	41	63	158
Lancaster	354.1	0.1599	2.85	101,767	90,232	33,019	37	51,675	57	88	120
Northeast Pennsylvania	634.5	0.2863	2.75	185,333	156,544	54,217	35	78,228	50	81	123
Philadelphia	4,771.5	2.1533	2.90	1,513,495	1,264,189	431,838	34	651,295	52	96	124
Pittsburgh	2,249.7	1.0153	2.79	714,378	581,733	189,514	33	310,731	53	89	122
Reading	306.5	0.1383	2.62	97,984	85,466	31,050	36	47,980	56	100	111
Williamsport	113.6	0.0513	2.86	27,004	21,006	7,541	36	10,716	51	54	147
York	359.9	0.1624	2.83	101,444	87,621	37,005	42	41,140	47	79	109
Non-Metro Portion of State	2,333.4	1.0530	2.93	520,647	426,129	160,085	38	224,126	53	66	125
State Total	**11,769.5**	**5.3116**	**2.84**	**3,438,237**	**2,870,104**	**1,025,886**	**36**	**1,467,494**	**51**	**85**	**124**

continued on page 200

Circle No. 96 on Reader Service Card →

	12/31/79			1979							
STATE Metro Name	Population (Thous.)	% Of U.S.	Average House-hold Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food Sales ($000)	Fast Food Market Share (%)	Restaurant Sales ($000)	Restaurant Market Share (%)	RAI	RGI
RHODE ISLAND											
Providence - Warwick - Pawtucket	849.2	0.3832	2.85	234,638	209,069	62,163	30	121,424	58	92	120
Non-Metro Portion of State	83.9	0.0379	3.15	32,331	26,816	7,276	27	16,733	62	151	84
State Total	**933.1**	**0.4211**	**2.88**	**266,969**	**235,885**	**69,439**	**29**	**138,157**	**59**	**96**	**116**
SOUTH CAROLINA											
Anderson	122.8	0.0554	2.76	28,152	26,935	12,600	47	11,956	44	64	106
Charleston - North Charleston	398.2	0.1797	3.21	111,609	105,672	51,616	49	37,680	36	97	90
Columbia	388.2	0.1752	3.29	119,008	113,084	54,878	49	43,005	38	101	97
Greenville - Spartanburg	546.8	0.2468	2.90	172,291	165,673	84,227	51	64,265	39	96	87
Non-Metro Portion of State	1,411.2	0.6369	3.14	293,937	281,728	131,851	47	125,048	44	73	120
State Total	**2,967.9**	**1.3394**	**3.10**	**741,331**	**708,620**	**342,329**	**48**	**288,998**	**41**	**83**	**104**
SOUTH DAKOTA											
Rapid City	96.0	0.0433	3.02	48,215	41,688	11,635	28	26,962	65	131	69
Sioux Falls	105.5	0.0476	2.95	55,821	47,877	15,236	32	29,742	62	148	81
Non-Metro Portion of State	500.9	0.2261	2.88	144,290	107,401	30,271	28	70,199	65	87	113
State Total	**702.4**	**0.3170**	**2.91**	**248,326**	**196,966**	**57,142**	**29**	**126,903**	**64**	**105**	**96**
TENNESSEE											
Chattanooga	409.0	0.1846	2.62	113,145	107,862	49,170	46	50,403	47	89	113
Clarksville - Hopkinsville	159.6	0.0720	3.42	36,268	33,554	15,659	47	14,499	43	101	86
Jackson	73.5	0.0332	2.88	22,284	20,606	9,382	46	9,747	47	87	98
Johnson City - Kingsport - Bristol	417.3	0.1883	2.86	99,196	95,916	52,576	55	29,747	31	80	95
Knoxville	460.4	0.2080	2.84	136,955	128,355	64,626	50	50,201	39	95	105
Memphis	904.7	0.4083	3.01	252,343	237,706	104,384	44	101,296	43	87	119
Nashville-Davidson	803.0	0.3624	2.83	301,864	288,767	110,549	38	145,210	50	113	95
Non-Metro Portion of State	1,568.1	0.7073	2.84	280,268	265,253	121,020	46	125,739	47	63	117
State Total	**4,425.3**	**1.9972**	**2.85**	**1,184,258**	**1,122,623**	**498,294**	**44**	**506,319**	**45**	**88**	**106**
TEXAS											
Abilene	134.7	0.0608	2.71	42,246	40,556	18,116	45	16,703	41	94	98
Amarillo	161.9	0.0731	2.67	91,883	82,858	37,015	45	34,119	41	119	69
Austin	506.1	0.2283	3.04	244,921	219,745	94,692	43	95,850	44	128	69
Beaumont - Port Arthur - Orange	366.8	0.1656	2.77	131,100	121,471	57,336	47	46,873	39	90	86
Brownsville - Harlingen - San Benito	190.2	0.0858	3.47	53,914	49,253	22,004	45	20,283	41	78	89
Bryan - College Station	82.1	0.0370	2.93	32,453	30,355	13,560	45	12,501	41	160	68
Corpus Christi	303.9	0.1372	3.13	108,673	95,071	39,428	41	43,403	46	77	86
Dallas - Fort Worth	2,798.0	1.2627	2.83	1,268,016	1,191,124	511,937	43	470,077	39	140	83
El Paso	453.0	0.2044	3.37	151,062	125,327	49,710	40	57,502	46	99	86
Galveston - Texas City	206.1	0.0930	2.87	70,460	64,018	28,601	45	26,364	41	78	91
Houston	2,779.4	1.2545	2.85	1,216,215	1,116,438	500,378	45	469,526	42	106	88
Killeen - Temple	210.2	0.0949	3.21	53,890	50,985	22,779	45	20,997	41	103	84
Laredo	89.4	0.0403	3.53	25,509	23,360	10,436	45	9,620	41	66	82
Longview - Marshall	136.8	0.0617	2.83	51,930	49,472	22,104	45	20,375	41	82	75
Lubbock	205.2	0.0926	2.86	92,589	85,712	38,292	45	35,298	41	115	74
McAllen - Pharr - Edinburg	244.7	0.1105	3.70	56,981	49,583	26,994	54	15,388	31	59	83
Midland	76.7	0.0346	2.86	27,720	25,701	11,482	45	10,584	41	81	104
Odessa	111.3	0.0503	2.88	61,268	55,808	24,933	45	22,983	41	111	59
San Angelo	78.8	0.0356	2.67	31,525	28,096	12,551	45	11,570	41	93	81

continued on page 202

STATE Metro Name	12/31/79 Population (Thous.)	% Of U.S.	Average Household Size	1979 Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food Sales ($000)	Fast Food Market Share (%)	Restaurant Sales ($000)	Restaurant Market Share (%)	RAI	RGI
TEXAS *continued*											
San Antonio	1,048.0	0.4730	3.15	359,985	324,585	133,133	41	140,886	43	105	91
Sherman - Denison	85.3	0.0385	2.55	24,551	24,213	10,817	45	9,972	41	80	101
Texarkana	119.3	0.0538	2.70	34,077	32,396	15,042	46	13,218	41	72	96
Tyler	115.6	0.0521	2.73	41,507	40,446	18,069	45	16,657	41	85	90
Victoria	64.9	0.0293	3.14	27,097	23,224	11,117	48	10,333	44	92	71
Waco	161.4	0.0728	2.73	64,086	58,284	26,039	45	24,003	41	103	85
Wichita Falls	128.6	0.0581	2.74	44,738	40,956	18,297	45	16,866	41	96	86
Non-Metro Portion of State	2,648.8	1.1953	2.84	562,912	522,190	250,476	48	232,960	45	58	107
State Total	**13,462.3**	**6.0755**	**2.91**	**4,960,932**	**4,562,213**	**2,020,799**	**44**	**1,904,321**	**42**	**99**	**87**
UTAH											
Provo - Orem	194.9	0.0880	3.68	36,139	34,573	14,745	43	18,128	52	80	122
Salt Lake City - Ogden	876.3	0.3954	3.26	235,298	220,517	98,938	45	110,001	50	96	120
Non-Metro Portion of State	292.2	0.1319	3.22	72,764	68,996	21,869	32	44 539	65	102	92
State Total	**1,363.4**	**0.6153**	**3.30**	**344,201**	**324,086**	**135,552**	**42**	**172,668**	**53**	**95**	**114**
VERMONT											
Burlington	115.5	0.0521	3.08	40,179	36,873	9,392	25	22,272	60	119	108
Non-Metro Portion of State	381.8	0.1723	2.82	98,337	90,738	23,123	25	54,820	60	83	138
State Total	**497.3**	**0.2244**	**2.87**	**138,516**	**127,611**	**32,515**	**25**	**77,092**	**60**	**91**	**129**
VIRGINIA											
Danville	107.2	0.0483	2.87	22,616	22,130	10,328	47	9,051	41	63	113
Lynchburg	150.8	0.0680	2.90	36,315	35,791	15,589	44	15,369	43	71	109
Newport News - Hampton	368.4	0.1664	3.03	135,257	132,634	47,993	36	65,827	50	132	83
Norfolk - Virginia Beach - Portsmouth	821.7	0.3709	3.20	249,248	236,936	121,920	51	93,172	39	111	92
Petersburg - Colonial Heights - Hopewell	130.0	0.0588	3.08	27,435	26,119	11,397	44	11,218	43	72	106
Richmond	626.0	0.2826	2.82	229,665	224,004	97,669	44	92,541	41	113	97
Roanoke	217.3	0.0980	2.66	75,515	73,689	32,088	44	31,627	43	95	98
Non-Metro Portion of State	1,694.8	0.7647	2.91	327,143	321,701	150,378	47	131,737	41	63	115
State Total	**5,260.9**	**2.3743**	**2.95**	**1,538,520**	**1,500,992**	**633,315**	**42**	**656,045**	**44**	**93**	**100**
WASHINGTON											
Bremerton	134.7	0.0608	2.79	39,444	34,587	10,728	31	22,276	64	82	105
Olympia	118.7	0.0536	2.72	42,196	37,927	11,761	31	24,428	64	101	90
Richland - Kennewick - Pasco	133.6	0.0604	3.05	55,716	48,629	15,208	31	29,928	62	93	91
Seattle - Everett	1,526.8	0.6890	2.61	832,779	755,831	214,550	28	471,507	62	146	73
Spokane	332.5	0.1500	2.72	121,193	107,019	40,637	38	60,512	57	114	103
Tacoma	455.3	0.2055	2.93	148,040	127,077	44,760	35	74,222	58	112	92
Yakima	160.3	0.0723	2.72	55,768	48,319	15,114	31	29,737	62	101	91
Non-Metro Portion of State	869.9	0.3925	2.76	316,563	271,611	84,048	31	175,045	64	102	84
State Total	**3,911.1**	**1.7650**	**2.72**	**1,671,943**	**1,481,697**	**455,464**	**31**	**916,774**	**62**	**122**	**82**
WEST VIRGINIA											
Charleston	260.0	0.1173	2.76	82,715	78,345	36,153	46	33,024	42	92	102
Huntington - Ashland	302.0	0.1362	2.83	70,345	64,747	36,430	56	22,020	34	69	116
Parkersburg - Marietta	159.0	0.0717	2.89	45,323	41,086	18,259	44	18,243	44	74	103
Steubenville - Weirton	161.4	0.0728	2.88	39,774	31,608	13,796	44	14,339	45	63	132

continued on page 204

	12/31/79			1979							
						Fast Food		Restaurant			
STATE Metro Name	Population (Thous.)	% Of U.S.	Average House-hold Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Sales ($000)	Market Share (%)	Sales ($000)	Market Share (%)	RAI	RGI
WEST VIRGINIA *continued*											
Wheeling	183.1	0.0825	2.75	62,152	52,237	23,131	44	23,279	45	92	99
Non-Metro Portion of State	1,211.2	0.5467	2.93	192,473	176,039	83,452	47	72,660	41	51	147
State Total	**1,885.1**	**0.8508**	**2.87**	**400,197**	**365,224**	**174,744**	**48**	**149,011**	**41**	**65**	**125**
WISCONSIN											
Appleton - Oshkosh	295.9	0.1336	3.07	108,216	80,925	27,728	34	48,359	60	99	99
Duluth - Superior	266.1	0.1202	2.72	97,138	73,813	24,987	34	44,714	61	91	107
Eau Claire	126.4	0.0570	3.01	58,252	40,405	13,010	32	24,571	61	130	81
Green Bay	180.0	0.0812	3.15	73,486	56,224	18,102	32	34,191	61	106	88
Janesville - Beloit	136.4	0.0615	2.94	53,043	41,301	11,651	28	27,290	66	88	92
Kenosha	127.8	0.0577	2.90	44,954	31,664	10,194	32	19,256	61	96	109
La Crosse	90.6	0.0409	2.90	52,689	41,148	13,248	32	25,023	61	157	66
Madison	325.5	0.1469	2.75	171,003	138,813	52,499	38	78,186	56	155	84
Manitowoc - Two Rivers	84.9	0.0383	2.95	25,971	17,554	4,952	28	11,599	66	83	110
Milwaukee	1,413.4	0.6378	2.87	606,716	483,705	159,112	33	282,622	58	103	99
Racine	178.5	0.0806	2.86	58,122	45,168	14,543	32	27,468	61	83	110
Sheboygan	102.3	0.0462	2.81	31,180	21,759	6,140	28	14,378	66	70	123
Wausau	110.5	0.0499	3.02	34,193	23,768	6,706	28	15,708	66	76	127
Non-Metro Portion of State	1,477.5	0.6667	2.91	542,223	363,537	102,645	28	240,433	66	92	99
State Total	**4,738.5**	**2.1385**	**2.90**	**1,889,826**	**1,403,102**	**446,480**	**32**	**859,433**	**61**	**101**	**97**
WYOMING											
Cheyenne	69.6	0.0314	2.74	24,573	21,353	7,775	36	12,810	60	131	124
Non-Metro Portion of State	388.6	0.1753	2.84	153,346	119,090	43,434	36	71,550	60	92	118
State Total	**458.2**	**0.2067**	**2.82**	**177,919**	**140,443**	**51,209**	**36**	**84,360**	**60**	**97**	**119**
United States Total	**221,582.4**	**100.0000**	**2.83**	**76,750,667**	**68,353,103**	**25,646,772**	**38**	**34,908,256**	**51**	**100**	**100**

Sales by Area of Dominant Influence (ADI)

This eighth installment of the ADI Report shows 214 areas of dominant influence for a TV signal. Each area includes major cities and nearby counties.

	12/31/79			1979							
						Fast Food		Restaurant			
ADI Name	Population (Thous.)	% Of U.S.	Average House-hold Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Sales ($000)	Market Share (%)	Sales ($000)	Market Share (%)	RAI	RGI
Abilene - Sweetwater	290.1	0.1309	2.64	78,706	75,570	34,745	46	32,341	43	78	103
Albany, Ga.	339.2	0.1528	3.03	64,914	62,896	33,609	53	23,361	37	65	119
Albany - Schenectady - Troy	1,252.6	0.5653	2.78	421,375	362,524	109,703	30	202,245	56	86	104
Albuquerque	909.6	0.4105	3.00	322,416	289,248	111,727	39	144,606	50	112	89
Alexandria, La.	224.0	0.1011	3.32	37,604	31,870	13,420	42	12,482	39	50	138

continued on page 206

	12/31/79			1979							
						Fast Food		Restaurant			
ADI Name	Population (Thous.)	% Of U.S.	Average Household Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Sales ($000)	Market Share (%)	Sales ($000)	Market Share (%)	RAI	RGI
Alexandria, Minn.	236.9	0.1071	2.85	68,377	52,932	15,241	29	34,619	65	89	102
Alpena	43.7	0.0197	2.88	15,195	11,420	3,970	35	6,756	59	73	79
Amarillo	451.0	0.2035	2.77	163,894	150,960	68,319	45	65,468	43	93	84
Anchorage	233.6	0.1054	3.26	160,080	122,516	42,058	34	55,330	45	115	71
Anniston	119.8	0.0541	2.97	32,760	31,856	15,645	49	11,827	37	88	72
Ardmore - Ada	173.7	0.0784	2.58	32,929	31,146	14,448	46	13,163	42	59	118
Atlanta	2,806.8	1.2666	2.91	991,383	946,333	461,746	49	360,984	38	113	93
Augusta	519.5	0.2347	3.15	105,715	98,818	46,945	48	43,806	44	68	104
Austin, Tex.	617.4	0.2786	2.96	270,662	243,967	106,311	44	106,645	44	117	71
Bakersfield	376.0	0.1697	2.97	138,718	127,301	46,924	37	72,622	57	91	71
Baltimore	2,335.8	1.0541	2.88	838,568	715,997	310,405	43	289,866	40	95	95
Bangor	343.4	0.1549	2.91	77,515	74,329	27,382	37	41,135	55	69	115
Baton Rouge	651.7	0.2939	3.16	169,682	148,165	70,964	48	59,007	40	69	112
Beaumont - Port Arthur	431.0	0.1945	2.79	139,868	129,896	61,505	47	50,640	39	81	90
Bend	56.1	0.0253	2.67	24,970	22,487	7,569	34	14,074	63	93	75
Billings	179.8	0.0810	2.75	73,645	57,396	19,510	34	35,545	62	100	99
Biloxi - Gulfport - Pascagoula	160.6	0.0726	3.21	57,056	52,428	27,535	53	18,593	35	111	87
Binghamton	419.9	0.1893	2.78	106,713	87,985	28,882	33	49,208	56	69	115
Birmingham	1,292.8	0.5837	2.82	312,728	299,438	140,885	47	117,972	39	82	110
Bluefield - Beckley - Oak Hill	367.9	0.1659	2.92	64,645	60,958	28,830	47	24,983	41	48	145
Boise	362.3	0.1636	2.89	149,445	132,500	50,275	38	74,692	56	106	78
Boston	5,376.3	2.4262	2.86	1,948,646	1,784,511	505,049	28	1,001,545	56	111	102
Bowling Green	80.6	0.0363	2.95	28,815	25,962	13,437	52	10,802	42	86	81
Bristol - Kingsport - Johnson City	733.6	0.3308	2.93	137,077	132,913	69,879	53	45,637	34	65	113
Buffalo	1,763.2	0.7957	2.76	589,953	487,409	158,468	33	264,004	54	86	98
Burlington - Plattsburgh	587.1	0.2648	2.94	161,198	142,982	38,548	27	85,226	60	86	124
Casper - Riverton	140.7	0.0634	2.90	57,619	42,773	15,617	37	25,728	60	82	107
Cedar Rapids - Waterloo	769.5	0.3474	2.93	262,105	206,811	79,694	39	112,653	54	101	99
Charleston, S.C.	523.8	0.2364	3.23	132,605	125,386	60,849	49	46,440	37	89	94
Charleston - Huntington	1,427.4	0.6443	2.96	281,743	255,558	123,460	48	106,071	42	58	123
Charlotte	1,621.1	0.7315	2.93	419,532	404,832	197,956	49	168,019	42	86	105
Charlottesville	91.4	0.0412	2.84	32,591	32,441	15,151	47	13,274	41	98	89
Chattanooga	741.2	0.3345	2.72	177,602	169,499	80,171	47	76,225	45	75	111
Cheyenne	158.2	0.0712	2.74	49,967	44,081	15,289	35	26,594	60	97	113
Chicago	8,295.4	3.7440	2.89	3,433,726	3,047,217	1,086,370	36	1,592,606	52	126	97
Chico - Redding	325.7	0.1470	2.57	107,859	93,902	32,357	34	58,339	62	77	88
Cincinnati	1,924.8	0.8685	2.88	697,194	615,905	268,733	44	277,233	45	99	92
Clarksburg - Weston	222.9	0.1005	2.80	39,850	37,355	17,734	47	15,447	41	65	127
Cleveland	3,865.1	1.7445	2.88	1,362,067	1,187,350	454,271	38	613,719	52	92	99
Colorado Springs - Pueblo	534.8	0.2412	2.89	166,760	149,362	58,946	39	78,476	53	100	103
Columbia, S.C.	666.8	0.3010	3.29	164,942	157,308	75,582	48	62,539	40	87	105
Columbia - Jefferson City	409.1	0.1846	2.84	127,747	116,747	49,391	42	57,337	49	99	92
Columbus, Ga.	496.4	0.2240	3.04	110,424	104,514	54,137	52	39,330	38	86	99
Columbus - Tupelo, Miss.	372.3	0.1678	3.01	67,933	64,215	34,441	54	24,448	38	59	113
Columbus, Ohio	1,647.3	0.7433	2.86	590,113	527,584	231,366	44	245,729	47	110	91
Corpus Christi	442.1	0.1995	3.16	143,437	127,110	54,615	43	57,691	45	72	86
Dallas - Ft. Worth	3,356.8	1.5149	2.79	1,387,982	1,305,530	565,727	43	520,219	40	125	86
Davenport - Rock Island - Moline	861.8	0.3887	2.81	322,878	258,040	107,109	42	128,638	50	104	96
Dayton	1,265.9	0.5713	2.89	412,461	371,198	164,631	44	169,253	46	98	96
Denver	2,141.4	0.9665	2.78	972,826	871,977	266,020	31	495,464	57	123	86

continued on page 208

	12/31/79			1979							
						Fast Food		Restaurant			
ADI Name	Population (Thous.)	% Of U.S.	Average House-hold Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Sales ($000)	Market Share (%)	Sales ($000)	Market Share (%)	RAI	RGI
Des Moines	949.4	0.4285	2.76	318,328	265,438	105,430	40	135,117	51	89	112
Detroit	4,763.2	2.1496	2.95	1,890,154	1,645,962	596,456	36	836,927	51	103	90
Dothan	212.6	0.0961	2.87	37,540	36,922	19,833	54	13,552	37	66	113
Dubuque	96.1	0.0434	3.37	37,642	30,318	11,825	39	15,752	52	109	96
Duluth - Superior	474.7	0.2144	2.74	164,675	123,139	39,326	32	76,800	62	88	108
El Centro - Yuma	168.2	0.0759	3.03	53,208	46,160	14,978	32	28,444	62	80	85
El Paso	607.8	0.2743	3.32	195,765	161,661	64,637	40	75,958	47	98	89
Elmira	238.8	0.1078	2.81	61,553	49,729	15,268	31	27,838	56	73	121
Erie	399.3	0.1802	2.99	110,042	88,151	36,499	41	43,750	50	94	124
Eugene	420.0	0.1895	2.77	162,926	141,133	54,278	38	77,642	55	106	83
Eureka	143.0	0.0644	2.64	56,632	49,126	16,890	34	30,535	62	89	86
Evansville	635.9	0.2867	2.83	186,216	159,570	74,921	47	67,348	42	88	109
Fargo	597.0	0.2695	2.93	208,274	159,015	49,839	31	98,723	62	112	100
Farmington	79.5	0.0359	3.18	19,976	16,187	6,568	41	8,215	51	61	109
Flagstaff	74.8	0.0337	3.37	39,635	37,212	11,397	31	22,762	61	162	64
Flint - Saginaw - Bay City	1,277.1	0.5765	2.99	446,038	361,246	134,150	37	189,043	52	90	88
Florence, S.C.	252.3	0.1139	3.15	42,529	41,663	19,491	47	18,546	45	57	138
Ft. Myers - Naples	350.7	0.1583	2.47	138,741	127,926	46,701	37	70,756	55	89	88
Ft. Smith	317.1	0.1431	2.78	86,282	82,574	41,595	50	32,972	40	89	86
Ft. Wayne	618.7	0.2791	2.95	222,836	195,068	74,364	38	105,010	54	115	88
Fresno	988.3	0.4460	2.92	300,928	271,157	105,015	39	156,307	58	81	87
Gainesville	166.6	0.0752	2.90	68,980	65,045	22,792	35	35,670	55	110	60
Grand Junction	121.2	0.0547	2.68	40,256	37,856	10,037	27	24,962	66	97	83
Grand Rapids - Kalamazoo - Battle Creek	1,556.9	0.7026	2.93	533,755	457,128	154,246	34	262,924	58	121	86
Great Falls	191.1	0.0865	2.80	68,477	48,276	16,285	34	30,095	62	92	111
Green Bay	995.2	0.4492	2.97	366,193	265,230	83,721	32	165,535	62	97	94
Greensboro - Winston-Salem - High Point	1,192.1	0.5380	2.82	330,825	322,290	143,724	45	124,898	39	97	99
Greenville - New Bern - Washington	612.8	0.2767	3.19	124,464	117,222	60,036	51	49,547	42	77	96
Greenville - Spartanburg - Asheville	1,510.2	0.6813	2.83	361,277	347,429	173,069	50	141,130	41	76	104
Greenwood - Greenville	149.1	0.0673	3.37	16,855	16,389	8,751	53	6,184	38	40	143
Harrisburg - York - Lancaster - Lebanon	1,320.9	0.5964	2.82	403,402	348,208	139,432	40	176,125	51	83	115
Harrisonburg	102.3	0.0461	2.97	22,521	21,124	9,885	47	8,655	41	70	105
Hartford - New Haven	1,971.8	0.8899	2.85	637,068	582,590	197,842	34	277,402	48	102	115
Helena	42.4	0.0191	2.74	22,193	16,397	5,431	33	10,221	62	96	92
Houston	3,236.7	1.4610	2.86	1,358,314	1,243,695	559,524	45	523,778	42	101	87
Huntsville - Decatur - Florence	648.7	0.2926	2.90	144,528	140,152	69,915	50	53,330	38	81	105
Idaho Falls - Pocatello	280.0	0.1264	3.22	74,313	63,901	24,510	38	36,207	57	77	115
Indianapolis	2,236.6	1.0095	2.90	729,522	658,120	305,528	46	268,451	41	104	97
Jackson, Miss.	815.7	0.3681	3.13	186,765	179,575	88,354	49	58,728	33	72	107
Jackson, Tenn.	115.3	0.0520	2.85	29,416	27,511	12,520	46	13,012	47	75	97
Jacksonville	974.8	0.4401	2.90	308,214	288,799	141,225	49	121,093	42	93	103
Johnstown - Altoona	778.0	0.3510	2.89	191,273	160,023	64,834	41	78,387	49	70	122
Jonesboro	182.0	0.0821	2.70	30,984	29,954	14,408	48	12,636	42	61	124
Joplin - Pittsburg	422.6	0.1907	2.56	116,989	110,685	49,880	45	52,531	47	93	93
Kansas City	1,887.9	0.8521	2.72	687,748	635,164	280,208	44	278,325	44	118	96
Knoxville	1,068.8	0.4827	2.91	261,336	249,914	122,026	49	105,888	42	79	104
La Crosse - Eau Claire	430.8	0.1944	2.95	171,237	118,933	36,880	31	74,230	62	110	90
Lafayette, Ind.	115.8	0.0522	3.09	48,291	44,053	20,024	45	19,213	44	138	77
Lafayette, La.	512.9	0.2315	3.20	114,356	97,974	40,641	41	35,927	37	64	106
Lake Charles	197.5	0.0892	3.01	53,545	47,617	20,199	42	19,085	40	64	102
Lansing	609.5	0.2751	2.92	213,605	182,339	75,295	41	88,998	49	124	90

continued on page 210

	12/31/79		1979								
						Fast Food		Restaurant			
ADI Name	Population (Thous.)	% Of U.S.	Average Household Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Sales ($000)	Market Share (%)	Sales ($000)	Market Share (%)	RAI	RGI
Laredo	95.6	0.0431	3.49	26,519	24,370	10,932	45	10,081	41	66	82
Las Vegas	403.4	0.1821	2.74	209,701	173,006	59,419	34	102,739	59	112	447
Laurel - Hattiesburg	229.5	0.1037	3.02	54,180	51,872	27,712	53	19,675	38	80	86
Lexington	701.9	0.3169	2.98	197,169	189,784	96,797	51	74,538	39	83	88
Lima	106.8	0.0482	2.93	42,477	39,064	16,222	42	18,799	48	115	82
Lincoln - Hastings - Kearney	653.1	0.2947	2.68	218,994	173,939	65,374	38	97,112	56	108	108
Little Rock	1,168.2	0.5273	2.81	258,782	248,236	121,703	49	101,907	41	76	117
Los Angeles	10,413.2	4.6996	2.59	4,449,411	4,153,830	1,440,599	35	2,404,366	58	121	88
Louisville	1,422.4	0.6422	2.93	462,684	417,887	205,625	49	165,850	40	98	96
Lubbock	402.5	0.1816	2.88	130,887	122,059	55,495	45	51,844	42	90	84
Macon	405.6	0.1833	3.05	93,788	89,689	45,907	51	34,178	38	79	103
Madison	526.7	0.2377	2.78	250,580	193,329	67,906	35	114,272	59	132	84
Mankato	106.5	0.0479	2.89	42,307	34,019	10,086	30	21,871	64	95	87
Marquette	154.0	0.0695	2.87	51,639	36,290	12,543	35	21,606	60	78	92
McAllen - Brownsville	474.9	0.2144	3.63	115,011	102,543	50,770	50	37,318	36	65	87
Medford	289.5	0.1308	2.62	103,129	89,496	30,214	34	55,952	63	90	84
Memphis	1,689.8	0.7625	3.03	353,841	331,610	150,074	45	141,582	43	69	126
Meridian	199.0	0.0898	2.96	36,086	34,874	18,692	54	13,107	38	56	117
Miami	2,471.8	1.1154	2.57	1,273,706	1,180,310	337,866	29	706,852	60	128	89
Miles City - Glendive	30.7	0.0138	2.90	13,896	10,181	3,416	34	6,384	63	99	100
Milwaukee	1,908.2	0.8611	2.88	780,020	613,326	197,492	32	365,889	60	100	101
Minneapolis - St. Paul	2,950.9	1.3315	2.92	1,107,267	925,760	308,349	33	549,578	59	117	103
Minot - Bismarck - Dickinson	386.7	0.1745	3.05	116,944	80,758	24,790	31	50,761	63	85	125
Missoula - Butte	306.7	0.1386	2.76	126,833	91,152	30,493	33	56,699	62	98	93
Mobile - Pensacola	1,098.7	0.4957	3.06	286,475	261,539	124,356	48	105,209	40	85	100
Monroe - El Dorado	502.2	0.2265	3.03	79,994	72,581	31,022	43	27,806	38	53	141
Montgomery	464.0	0.2092	2.97	109,679	105,674	51,089	48	36,595	35	85	107
Nashville	1,725.4	0.7787	2.85	460,600	438,700	181,069	41	213,485	49	87	104
New Orleans	1,627.5	0.7345	3.02	588,434	512,648	199,953	39	225,938	44	87	100
New York	18,158.6	8.1950	2.76	5,878,683	5,175,254	1,485,594	29	2,854,179	55	95	124
Norfolk - Portsmouth - Newport News - Hampton	1,430.7	0.6459	3.10	432,787	416,495	193,219	46	178,634	43	107	91
North Platte	49.1	0.0224	2.70	18,422	16,370	5,902	36	9,462	58	122	86
Odessa - Midland	328.3	0.1481	2.95	128,193	117,278	53,717	46	49,578	42	89	80
Oklahoma City	1,374.5	0.6203	2.64	455,076	430,023	204,460	48	167,441	39	101	91
Omaha	934.1	0.4220	2.85	339,663	271,419	102,319	38	146,959	54	107	106
Orlando - Daytona Beach	1,339.3	0.6044	2.69	604,680	561,741	217,407	39	289,701	52	111	94
Ottumwa - Kirksville	75.3	0.0338	2.61	16,632	13,797	5,809	42	7,225	52	69	127
Paducah - Cape Girardeau - Harrisburg	791.2	0.3567	2.67	196,969	176,281	80,563	46	82,931	47	77	104
Palm Springs	639.9	0.2888	2.62	244,754	229,390	76,594	33	135,941	59	108	82
Panama City	215.9	0.0972	2.86	65,583	60,275	21,705	36	33,350	55	93	83
Parkersburg	92.8	0.0419	2.86	27,436	25,565	11,794	46	10,776	42	82	103
Peoria	650.4	0.2937	2.81	239,158	200,684	85,827	43	96,290	48	101	103
Philadelphia	6,850.7	3.0915	2.87	2,274,913	1,911,628	659,744	35	999,958	52	95	122
Phoenix	1,716.9	0.7749	2.87	688,178	625,697	207,692	33	324,646	52	104	86
Pittsburgh	3,362.2	1.5175	2.83	952,033	773,226	266,030	34	406,293	53	79	124
Portland, Ore.	1,942.6	0.8765	2.70	859,210	745,505	252,872	34	442,608	59	141	81
Portland - Poland Spring	835.1	0.3770	2.85	263,591	251,802	90,346	36	141,541	56	90	102
Presque Isle	98.1	0.0443	3.26	16,027	14,817	5,459	37	8,197	55	61	131
Providence	1,658.5	0.7485	2.86	480,812	424,445	138,642	33	234,830	55	95	107
Quincy - Hannibal	326.6	0.1474	2.70	86,386	67,974	29,273	43	33,691	50	78	119
Raleigh - Durham	1,504.6	0.6790	3.01	386,597	373,478	174,248	47	158,041	42	91	103
Rapid City	228.4	0.1027	2.87	94,508	74,799	22,430	30	47,730	64	107	83
Reno	300.3	0.1355	2.63	139,750	122,000	42,170	35	72,864	60	129	288

continued on page 212

ADI Name	12/31/79			1979							
	Population (Thous.)	% Of U.S.	Average Household Size	Eating & Drinking Place Sales ($000)	Eating Place Sales ($000)	Fast Food		Restaurant		RAI	RGI
						Sales ($000)	Market Share (%)	Sales ($000)	Market Share (%)		
Richmond	1,086.5	0.4908	2.89	314,625	306,068	135,240	44	126,697	41	94	102
Roanoke - Lynchburg	1,008.4	0.4547	2.85	228,697	224,587	101,470	45	94,135	42	71	111
Rochester, N.Y.	928.2	0.4190	2.77	304,643	267,337	81,371	30	147,405	55	89	107
Rochester - Mason City - Austin	397.0	0.1791	2.83	122,675	103,283	35,357	34	61,732	60	100	122
Rockford	496.0	0.2237	2.81	180,432	152,766	51,065	33	89,427	59	99	96
Roswell	156.4	0.0706	2.87	41,114	36,501	14,880	41	18,340	50	82	116
Sacramento - Stockton	2,107.9	0.9510	2.73	852,902	771,536	284,249	37	439,325	57	103	76
St. Joseph	137.6	0.0621	2.63	41,164	36,020	15,101	42	17,012	47	89	102
St. Louis	2,941.4	1.3280	2.90	1,026,626	902,265	391,422	43	398,457	44	95	100
Salinas - Monterey	487.6	0.2202	2.99	207,052	191,179	56,866	30	123,732	65	120	77
Salisbury	199.1	0.0898	2.72	95,088	86,633	34,307	40	43,819	51	98	69
Salt Lake City	1,508.1	0.6806	3.25	395,276	365,681	150,565	41	197,598	54	95	120
San Angelo	86.7	0.0392	2.68	32,770	29,341	13,177	45	12,154	41	91	82
San Antonio	1,369.0	0.6179	3.13	424,042	380,328	160,135	42	165,798	44	92	94
San Diego	1,841.2	0.8309	2.61	718,601	653,941	250,526	38	373,503	57	126	91
San Francisco	4,961.3	2.2390	2.54	2,315,536	2,095,770	667,705	32	1,242,819	59	121	93
Santa Barbara - Santa Maria - San Luis Obispo	449.7	0.2030	2.73	229,437	216,271	63,900	30	143,371	66	151	71
Savannah	487.4	0.2199	3.17	137,627	125,931	64,234	51	48,997	39	95	105
Seattle - Tacoma	2,661.8	1.2015	2.69	1,245,087	1,118,022	332,190	30	697,155	62	131	77
Selma, Alabama	54.8	0.0247	3.04	8,805	8,413	4,513	54	3,080	37	53	135
Shreveport - Texarkana	1,111.4	0.5018	2.87	269,972	252,701	115,356	46	101,106	40	71	103
Sioux City	437.6	0.1974	2.84	137,701	105,105	40,245	38	57,877	55	87	111
Sioux Falls - Mitchell	609.6	0.2754	2.87	197,497	155,449	46,117	30	99,635	64	101	103
South Bend - Elkhart	758.3	0.3420	2.90	264,816	225,862	88,073	39	115,789	51	102	92
Spokane	866.1	0.3905	2.77	287,487	234,673	84,476	36	138,140	59	91	101
Springfield, Mass.	653.2	0.2948	2.86	193,842	166,918	50,295	30	84,572	51	77	114
Springfield, Mo.	680.7	0.3070	2.69	173,523	161,164	72,498	45	72,496	45	89	94
Springfield - Decatur - Champaign	772.9	0.3487	2.73	296,914	249,624	98,295	39	124,813	50	103	97
Syracuse	931.0	0.4201	2.92	297,802	257,449	76,001	30	139,276	54	81	104
Tallahassee	415.5	0.1878	3.02	112,562	107,438	45,545	42	52,057	48	82	89
Tampa - St. Petersburg	2,230.5	1.0066	2.41	928,221	856,019	305,915	36	447,793	52	97	83
Terre Haute	452.1	0.2041	2.71	124,634	104,671	46,498	44	47,787	46	84	106
Toledo	1,165.6	0.5261	2.84	418,531	364,270	141,207	39	183,089	50	98	91
Topeka	326.1	0.1468	2.69	100,807	91,407	43,418	47	40,456	44	105	105
Traverse City - Cadillac	388.0	0.1749	2.84	164,114	125,668	43,745	35	74,804	60	90	84
Tucson	590.6	0.2665	2.85	197,477	176,290	65,380	37	91,021	52	88	99
Tulsa	1,042.2	0.4705	2.62	291,624	276,948	126,132	46	112,247	41	83	105
Tuscaloosa	131.8	0.0595	3.21	37,394	36,119	17,739	49	13,410	37	107	80
Twin Falls	80.4	0.0363	2.74	22,829	20,117	7,742	38	11,389	57	98	97
Tyler	235.1	0.1060	2.80	62,272	60,712	27,662	46	25,690	42	65	102
Utica	379.2	0.1712	2.78	121,836	101,651	36,509	36	49,800	49	85	94
Victoria	64.9	0.0293	3.14	27,097	23,224	11,117	48	10,333	44	92	71
Waco - Temple	568.9	0.2567	2.90	170,447	157,786	71,283	45	65,585	42	96	85
Washington, D.C.	3,972.9	1.7931	2.83	1,520,416	1,447,958	535,177	37	674,238	47	120	104
Watertown - Carthage	233.4	0.1054	2.98	59,416	45,932	14,141	31	26,516	58	68	117
Wausau - Rhinelander	426.2	0.1923	2.98	145,772	100,102	28,252	28	66,177	66	80	110
West Palm Beach	713.8	0.3223	2.59	318,947	286,825	83,807	29	181,951	63	96	87
Wheeling - Steubenville	451.0	0.2032	2.82	123,407	99,487	43,092	43	45,596	46	73	113
Wichita - Hutchinson	1,081.6	0.4884	2.71	378,602	350,298	165,936	47	152,664	44	110	92
Wichita Falls - Lawton	456.0	0.2057	2.78	104,826	97,511	44,926	46	40,629	42	75	106
Wilkes-Barre - Scranton	1,305.4	0.5892	2.79	318,914	265,131	94,053	35	135,088	51	70	131
Wilmington	428.0	0.1932	2.98	134,757	129,326	61,979	48	55,497	43	106	99
Yakima	426.0	0.1924	2.83	162,776	138,838	43,731	31	86,303	62	99	90
Youngstown	673.5	0.3040	3.06	200,989	169,828	71,806	42	82,134	48	82	103
Zanesville	82.5	0.0373	2.84	21,393	16,938	7,057	42	8,168	48	67	117
Total ADIs	220,476.2	99.5007	2.83	76,046,724	67,734,139	25,457,493	38	34,589,361	51	100	100

Top 100 Fast Food Markets - 1979

By metro area

Metro Area Name	Sales ($000)	Ranking
Los Angeles - Long Beach	951,686	1
Chicago	918,128	2
New York	761,966	3
Detroit	548,344	4
Dallas - Fort Worth	511,937	5
Houston	500,078	6
Washington	441,180	7
San Francisco - Oakland	432,242	8
Philadelphia	431,838	9
Boston - Lowell - Brockton - Lawrence - Haverhill	373,933	10
Atlanta	353,655	11
St. Louis	341,714	12
Anaheim - Santa Ana - Garden Grove	301,536	13
Baltimore	290,604	14
Minneapolis - St. Paul	252,251	15
San Diego	250,526	16
Kansas City	232,956	17
Nassau - Suffolk	226,438	18
Cleveland	223,886	19
Seattle - Everett	214,550	20
Cincinnati	211,481	21
Tampa - St. Petersburg	204,051	22
Riverside - San Bernardino - Ontario	200,600	23
Denver - Boulder	197,736	24
Pittsburgh	189,514	25
Phoenix	184,656	26
Indianapolis	183,610	27
Miami	180,861	28
San Jose	180,828	29
Columbus, Ohio	180,004	30
Portland, Ore	168,295	31
Louisville	159,492	32
Milwaukee	159,112	33
Newark, N.J.	155,515	34
New Orleans	154,361	35
Oklahoma City	148,105	36
Fort Lauderdale - Hollywood	142,764	37
Sacramento	142,113	38
Honolulu	140,821	39
San Antonio	133,193	40
Buffalo	125,907	41
Norfolk - Virginia Beach - Portsmouth	121,920	42
Dayton	121,609	43
Orlando	114,804	44
Hartford - New Britain - Bristol	110,785	45
Nashville-Davidson	110,549	46
Jacksonville	110,539	47
Birmingham	107,290	48
Greensboro - Winston-Salem - High Point	107,182	49
Memphis	104,384	50
Toledo	99,152	51
Salt Lake City - Ogden	98,938	52
Richmond	97,669	53
Austin	94,692	54
Charlotte - Gastonia	90,765	55
Akron	90,560	56
Gary - Hammond - East Chicago	90,248	57
Tulsa	87,026	58
Wichita	86,676	59
Greenville - Spartanburg	84,227	60
Rochester, N.Y.	82,737	61
New Haven - West Haven - Waterbury - Meriden	77,768	62
Omaha	76,495	63
Raleigh - Durham	76,213	64
Albany - Schenectady - Troy	72,183	65
Fresno	64,941	66
Knoxville	64,626	67
Allentown - Bethlehem - Easton	64,524	68
Lansing - East Lansing	62,670	69
New Brunswick - Perth Amboy - Sayreville	62,249	70
Providence - Warwick - Pawtucket	62,163	71
Albuquerque	62,092	72
Youngstown - Warren	61,184	73
Flint	60,612	74
Grand Rapids	60,175	75
Oxnard - Simi Valley - Ventura	59,949	76
Las Vegas	59,092	77
Tucson	58,669	78
Little Rock - North Little Rock	58,431	79
Bridgeport - Stamford - Norwalk - Danbury	58,364	80
Baton Rouge	58,106	81
Harrisburg	57,793	82
Lexington-Fayette	57,745	83
Beaumont - Port Arthur - Orange	57,336	84
West Palm Beach - Boca Raton	56,445	85
Davenport - Rock Island - Moline	56,218	86
Syracuse	56,063	87
Wilmington, Del	55,773	88
Columbia, S.C.	54,878	89
Northeast Pennsylvania	54,217	90
Peoria	53,705	91
Mobile	53,034	92
Fort Wayne	52,672	93
Johnson City - Kingsport - Bristol	52,576	94
Madison	52,499	95
Jackson, Miss	52,199	96
Charleston - North Charleston, S.C.	51,616	97
Canton	50,784	98
Des Moines	50,494	99
Long Branch - Asbury Park	50,236	100

By ADI

ADI Name	Sales ($000)	Ranking
New York	1,485,594	1
Los Angeles	1,440,599	2
Chicago	1,086,370	3
San Francisco	667,705	4
Philadelphia	659,744	5
Detroit	596,456	6
Dallas - Ft. Worth	565,727	7
Houston	559,524	8
Washington, D.C.	535,177	9
Boston	505,049	10
Atlanta	461,746	11
Cleveland	454,271	12
St. Louis	391,422	13
Miami	337,866	14
Seattle - Tacoma	332,190	15
Baltimore	310,405	16
Minneapolis - St. Paul	308,349	17
Tampa - St. Petersburg	305,915	18
Indianapolis	305,528	19
Sacramento - Stockton	284,249	20
Kansas City	280,208	21
Cincinnati	268,733	22
Pittsburgh	266,030	23
Denver	266,020	24
Portland, Ore	252,872	25
San Diego	250,526	26
Columbus, Ohio	231,366	27
Orlando - Daytona Beach	217,407	28
Phoenix	207,692	29
Louisville	205,625	30
Oklahoma City	204,460	31
New Orleans	199,953	32
Charlotte	197,956	33
Hartford - New Haven	197,842	34
Milwaukee	197,492	35
Norfolk - Portsmouth - Newport News - Hampton	193,219	36
Nashville	181,069	37
Raleigh - Durham	174,248	38
Greenville - Spartanburg - Asheville	173,069	39
Wichita - Hutchinson	165,936	40
Dayton	164,631	41
San Antonio	160,135	42
Buffalo	158,468	43
Grand Rapids - Kalamazoo - Battle Creek	154,246	44
Salt Lake City	150,565	45
Memphis	150,074	46
Greensboro - Winston-Salem - High Point	143,724	47
Jacksonville	141,225	48
Toledo	141,207	49
Birmingham	140,885	50
Harrisburg - York - Lancaster - Lebanon	139,432	51
Providence	138,642	52
Richmond	135,240	53
Flint - Saginaw - Bay City	134,150	54
Tulsa	126,132	55
Mobile - Pensacola	124,356	56
Charleston - Huntington	123,460	57
Knoxville	122,026	58
Little Rock	121,703	59
Shreveport - Texarkana	115,356	60
Albuquerque	111,727	61
Albany - Schenectady - Troy	109,703	62
Davenport - Rock Island - Moline	107,109	63
Austin, Tex	106,311	64
Des Moines	105,430	65
Fresno	105,015	66
Omaha	102,319	67
Roanoke - Lynchburg	101,470	68
Springfield - Decatur - Champaign	98,295	69
Lexington	96,797	70
Wilkes-Barre - Scranton	94,053	71
Portland - Poland Spring	90,346	72
Jackson, Miss	88,354	73
South Bend - Elkhart	88,073	74
Peoria	85,827	75
Spokane	84,476	76
West Palm Beach	83,807	77
Green Bay	83,721	78
Rochester, N.Y.	81,371	79
Paducah - Cape Girardeau - Harrisburg	80,563	80
Chattanooga	80,171	81
Cedar Rapids - Waterloo	79,694	82
Palm Springs	76,594	83
Syracuse	76,001	84
Columbia, S.C.	75,582	85
Lansing	75,295	86
Evansville	74,921	87
Ft. Wayne	74,364	88
Springfield, Mo	72,498	89
Youngstown	71,806	90
Waco - Temple	71,283	91
Baton Rouge	70,964	92
Huntsville - Decatur - Florence	69,915	93
Bristol - Kingsport - Johnson City	69,879	94
Amarillo	68,319	95
Madison	67,906	96
Tucson	65,380	97
Lincoln - Hastings - Kearney	65,374	98
Johnstown - Altoona	64,834	99
El Paso	64,637	100

Top 100 Restaurant Markets - 1979

By metro area

Metro Area Name	Sales ($000)	Ranking
Los Angeles - Long Beach	1,674,958	1
New York	1,560,576	2
Chicago	1,398,773	3
San Francisco - Oakland	875,498	4
Detroit	766,669	5
Boston - Lowell - Brockton - Lawrence - Haverhill	730,161	6
Philadelphia	651,295	7
Washington	575,040	8
Anaheim - Santa Ana - Garden Grove	523,133	9
Seattle - Everett	471,507	10
Dallas - Fort Worth	470,077	11
Houston	469,526	12
Minneapolis - St. Paul	426,288	13
Nassau - Suffolk	395,731	14
San Diego	373,503	15
Miami	356,101	16
Denver - Boulder	355,648	17
St. Louis	343,227	18
Cleveland	331,537	19
Fort Lauderdale - Hollywood	330,326	20
Pittsburgh	310,731	21
Atlanta	291,551	22
Tampa - St. Petersburg	289,221	23
Portland, Ore	287,905	24
Newark, N.J.	282,919	25
Milwaukee	282,622	26
Phoenix	278,639	27
San Jose	266,798	28
Baltimore	262,154	29
Riverside - San Bernardino - Ontario	251,838	30
Cincinnati	236,860	31
Kansas City	227,967	32
Sacramento	221,116	33
Honolulu	215,540	34
Buffalo	204,413	35
New Orleans	189,068	36
Columbus, Ohio	186,415	37
Rochester, N.Y	149,780	38
Hartford - New Britain - Bristol	148,348	39
Nashville-Davidson	145,210	40
Indianapolis	144,553	41
West Palm Beach - Boca Raton	142,754	42
San Antonio	140,886	43
Orlando	136,487	44
Albany - Schenectady - Troy	134,815	45
Toledo	133,558	46
Bridgeport - Stamford - Norwalk - Danbury	130,171	47
Grand Rapids	124,896	48
Louisville	124,433	49
Providence - Warwick - Pawtucket	121,424	50
Dayton	120,137	51
Akron	117,116	52
Oklahoma City	115,265	53
New Haven - West Haven - Waterbury - Meriden	113,244	54
Salt Lake City - Ogden	110,001	55
Omaha	108,724	56
Las Vegas	102,175	57
Syracuse	101,787	58
Memphis	101,296	59
Santa Barbara - Santa Maria - Lompoc	101,268	60
Gary - Hammond - East Chicago	97,580	61
Long Branch - Asbury Park	96,402	62
Austin	95,850	63
Jacksonville	94,387	64
Birmingham	94,221	65
Greensboro - Winston-Salem - High Point	94,152	66
Norfolk - Virginia Beach - Portsmouth	93,172	67
Richmond	92,541	68
Oxnard - Simi Valley - Ventura	84,215	69
Fresno	84,135	70
Fort Wayne	80,897	71
Worcester - Fitchburg - Leominster	80,473	72
Allentown - Bethlehem - Easton	78,481	73
Tucson	78,344	74
Northeast Pennsylvania	78,228	75
Madison	78,186	76
Salinas - Seaside - Monterey	77,552	77
Charlotte - Gastonia	77,093	78
Springfield - Chicopee - Holyoke	76,560	79
Raleigh - Durham	76,139	80
Flint	75,951	81
Tulsa	75,402	82
Tacoma	74,222	83
Bakersfield	72,622	84
Albuquerque	72,461	85
Wilmington, Del	70,452	86
Lansing - East Lansing	69,149	87
Wichita	68,335	88
Youngstown - Warren	67,260	89
Davenport - Rock Island - Moline	67,081	90
Harrisburg	67,050	91
New Brunswick - Perth Amboy - Sayreville	66,914	92
Sarasota	66,143	93
Daytona Beach	66,050	94
Newport News - Hampton	65,827	95
Paterson - Clifton - Passaic	65,756	96
Canton	65,481	97
Greenville - Spartanburg	64,265	98
Vallejo - Fairfield - Napa	64,094	99
New Bedford - Fall River	61,950	100

By ADI

ADI Name	Sales ($000)	Ranking
New York	2,854,179	1
Los Angeles	2,404,366	2
Chicago	1,592,606	3
San Francisco	1,242,819	4
Boston	1,001,545	5
Philadelphia	999,958	6
Detroit	836,927	7
Miami	706,852	8
Seattle - Tacoma	697,155	9
Washington, D.C	674,238	10
Cleveland	613,719	11
Minneapolis - St. Paul	549,578	12
Houston	523,778	13
Dallas - Ft. Worth	520,219	14
Denver	495,464	15
Tampa - St. Petersburg	447,793	16
Portland, Ore	442,608	17
Sacramento - Stockton	439,325	18
Pittsburgh	406,293	19
St. Louis	398,457	20
San Diego	373,503	21
Milwaukee	365,889	22
Atlanta	360,984	23
Phoenix	324,646	24
Baltimore	289,866	25
Orlando - Daytona Beach	289,701	26
Kansas City	278,325	27
Hartford - New Haven	277,402	28
Cincinnati	277,233	29
Indianapolis	268,451	30
Buffalo	264,004	31
Grand Rapids - Kalamazoo - Battle Creek	262,924	32
Columbus, Ohio	245,729	33
Providence	234,830	34
New Orleans	225,938	35
Nashville	213,485	36
Albany - Schenectady - Troy	202,245	37
Salt Lake City	197,598	38
Flint - Saginaw - Bay City	189,043	39
Toledo	183,089	40
West Palm Beach	181,951	41
Norfolk - Portsmouth - Newport News - Hampton	178,634	42
Harrisburg - York - Lancaster - Lebanon	176,125	43
Dayton	169,253	44
Charlotte	168,019	45
Oklahoma City	167,441	46
Louisville	165,850	47
San Antonio	165,798	48
Green Bay	165,535	49
Raleigh - Durham	158,041	50
Fresno	156,307	51
Wichita - Hutchinson	152,664	52
Rochester, N.Y	147,405	53
Omaha	146,959	54
Albuquerque	144,606	55
Santa Barbara - Santa Maria - San Luis Obispo	143,371	56
Memphis	141,582	57
Portland - Poland Spring	141,541	58
Greenville - Spartanburg - Asheville	141,130	59
Syracuse	139,276	60
Spokane	138,140	61
Palm Springs	135,941	62
Des Moines	135,117	63
Wilkes-Barre - Scranton	135,088	64
Davenport - Rock Island - Moline	128,638	65
Richmond	126,697	66
Greensboro - Winston-Salem - High Point	124,898	67
Springfield - Decatur - Champaign	124,813	68
Salinas - Monterey	123,732	69
Jacksonville	121,093	70
Birmingham	117,972	71
South Bend - Elkhart	115,789	72
Madison	114,272	73
Cedar Rapids - Waterloo	112,653	74
Tulsa	112,247	75
Austin, Tex	106,645	76
Charleston - Huntington	106,071	77
Knoxville	105,888	78
Mobile - Pensacola	105,209	79
Ft. Wayne	105,010	80
Las Vegas	102,739	81
Little Rock	101,907	82
Shreveport - Texarkana	101,106	83
Sioux Falls - Mitchell	99,635	84
Fargo	98,723	85
Lincoln - Hastings - Kearney	97,112	86
Peoria	96,290	87
Roanoke - Lynchburg	94,135	88
Tucson	91,021	89
Rockford	89,427	90
Lansing	88,998	91
Yakima	86,303	92
Burlington - Plattsburgh	85,226	93
Springfield, Mass	84,572	94
Paducah - Cape Girardeau - Harrisburg	82,931	95
Youngstown	82,134	96
Colorado Springs - Pueblo	78,476	97
Johnstown - Altoona	78,387	98
Eugene	77,642	99
Duluth - Superior	76,800	100

Top 100 RAI Markets-1979

By metro area

Metro Area Name	RAI	Ranking
Honolulu	212	1
Ann Arbor	185	2
Santa Fe	168	3
Panama City	165	4
Santa Barbara - Santa Maria - Lompoc	163	5
Bryan - College Station	160	6
La Crosse	157	7
Grand Rapids	155	8
Madison	155	8
Columbia, Mo	154	10
Portland, Ore	154	10
Champaign - Urbana - Rantoul	152	12
Sioux Falls	148	13
Wichita	148	13
Seattle - Everett	146	15
Fargo - Moorhead	145	16
Daytona Beach	142	17
Dallas - Fort Worth	140	18
Salem	139	19
Hattiesburg	138	20
Lafayette - West Lafayette	138	20
Lincoln	138	20
Boise	137	23
Fort Wayne	137	23
Salinas - Seaside - Monterey	137	23
Reno	136	26
Sarasota	136	26
Fort Lauderdale - Hollywood	135	28
Albuquerque	133	29
Anaheim - Santa Ana - Garden Grove	133	29
Atlanta	132	31
Newport News - Hampton	132	31
Cheyenne	131	33
Chicago	131	33
Rapid City	131	33
Eau Claire	130	36
Washington	130	36
Fort Collins	129	38
Kansas City	129	38
Austin	128	40
Grand Forks	128	40
San Francisco - Oakland	128	40
Springfield, Mo	128	40
Anchorage	127	44
Bloomington - Normal	127	44
St Cloud	127	44
Battle Creek	126	47
Rochester, Minn	126	47
San Diego	126	47
Gainesville	125	50
Kankakee	125	50
Iowa City	124	52
Kalamazoo - Portage	124	52
Denver - Boulder	123	54
Minneapolis - St Paul	123	54
South Bend	123	54
Columbus, Ohio	122	57
Miami	122	57
Montgomery	122	57
Omaha	122	57
Jackson, Mich	121	61
Jamestown	121	61
Los Angeles - Long Beach	120	63
Saginaw	120	63
Amarillo	119	65
Bloomington, Ind	119	65
Burlington, Vt	119	65
Davenport - Rock Island - Moline	119	65
Atlantic City	118	69
Enid	118	69
Lansing - East Lansing	118	69
Boston - Lowell - Brockton - Lawrence - Haverhill	117	72
Evansville	116	73
Oklahoma City	116	73
Lubbock	115	75
Melbourne - Titusville - Cocoa	115	75
Raleigh - Durham	115	75
San Jose	115	75
Athens	114	79
Colorado Springs	114	79
Jackson, Miss	114	79
Louisville	114	79
Orlando	114	79
Spokane	114	79
Lawrence, Kans	113	85
Missoula	113	85
Nashville-Davidson	113	85
Phoenix	113	85
Richmond	113	85
Savannah	113	85
Tallahassee	113	85
Kokomo	112	92
Las Vegas	112	92
Tacoma	112	92
Greensboro - Winston-Salem - High Point	111	95
Indianapolis	111	95
New York	111	95
Norfolk - Virginia Beach - Portsmouth	111	95
Odessa	111	95
Cincinnati	110	100
Columbus, Ga	110	100
Eugene - Springfield	110	100
Rockford	110	100

By ADI

ADI Name	RAI	Ranking
Flagstaff	162	1
Santa Barbara - Santa Maria - San Luis Obispo	151	2
Portland, Ore	141	3
Lafayette, Ind	138	4
Madison	132	5
Seattle - Tacoma	131	6
Reno	129	7
Miami	128	8
Chicago	126	9
San Diego	126	9
Dallas - Ft Worth	125	11
Lansing	124	12
Denver	123	13
North Platte	122	14
Grand Rapids - Kalamazoo - Battle Creek	121	15
Los Angeles	121	15
San Francisco	121	15
Salinas - Monterey	120	18
Washington, D C	120	18
Kansas City	118	20
Austin, Tex	117	21
Minneapolis - St Paul	117	21
Anchorage	115	23
Ft Wayne	115	23
Lima	115	23
Atlanta	113	26
Albuquerque	112	27
Fargo	112	27
Las Vegas	112	27
Biloxi - Gulfport - Pascagoula	111	30
Boston	111	30
Orlando - Daytona Beach	111	30
Columbus, Ohio	110	33
Gainesville	110	33
La Crosse - Eau Claire	110	33
Wichita - Hutchinson	110	33
Dubuque	109	37
Lincoln - Hastings - Kearney	108	38
Omaha	108	38
Palm Springs	108	38
Norfolk - Portsmouth - Newport News - Hampton	107	41
Rapid City	107	41
Tuscaloosa	107	41
Boise	106	44
Eugene	106	44
Wilmington	106	44
Topeka	105	47
Davenport - Rock Island - Moline	104	48
Indianapolis	104	48
Phoenix	104	48
Detroit	103	51
Sacramento - Stockton	103	51
Springfield - Decatur - Champaign	103	51
Hartford - New Haven	102	54
South Bend - Elkhart	102	54
Cedar Rapids - Waterloo	101	56
Houston	101	56
Oklahoma City	101	56
Peoria	101	56
Sioux Falls - Mitchell	101	56
Billings	100	61
Colorado Springs - Pueblo	100	61
Milwaukee	100	61
Rochester - Mason City - Austin	100	61
Cincinnati	99	65
Columbia - Jefferson City	99	65
Miles City - Glendive	99	65
Rockford	99	65
Yakima	99	65
Charlottesville	98	70
Dayton	98	70
El Paso	98	70
Louisville	98	70
Missoula - Butte	98	70
Salisbury	98	70
Toledo	98	70
Twin Falls	98	70
Cheyenne	97	78
Grand Junction	97	78
Green Bay	97	78
Greensboro - Winston-Salem - High Point	97	78
Tampa - St Petersburg	97	78
Helena	96	83
Waco - Temple	96	83
West Palm Beach	96	83
Baltimore	95	86
Mankato	95	86
New York	95	86
Philadelphia	95	86
Providence	95	86
St Louis	95	86
Salt Lake City	95	86
Savannah	95	86
Erie	94	94
Richmond	94	94
Amarillo	93	96
Bend	93	96
Jacksonville	93	96
Joplin - Pittsburg	93	96
Panama City	93	96

Top 100 RGI Markets-1979

By metro area

Metro Area Name	RGI	Ranking
Las Vegas	449	1
Reno	232	2
Atlantic City	204	3
Jersey City	159	4
Johnstown	158	5
Williamsport	147	6
Trenton	144	7
Rochester, Minn	140	8
New York	135	9
Pittsfield	135	9
Steubenville - Weirton	132	11
Lorain - Elyria	130	12
Wausau	127	13
Alexandria, La	126	14
Cheyenne	124	15
Philadelphia	124	15
Northeast Pennsylvania	123	17
Sheboygan	123	17
Erie	122	19
Newark, N J	122	19
Pittsburgh	122	19
Provo - Orem	122	19
Springfield, Ohio	121	23
Bridgeport - Stamford - Norwalk - Danbury	120	24
Lancaster	120	24
Providence - Warwick - Pawtucket	120	24
Salt Lake City - Ogden	120	24
Elmira	119	28
Memphis	119	28
Hartford - New Britain - Bristol	117	30
Quincy, Ill	117	30
Huntington - Ashland	116	32
Pascagoula - Moss Point	116	32
Bangor	114	34
Springfield - Chicopee - Holyoke	114	34
Baton Rouge	113	36
Chattanooga	113	36
Danville, Va	113	36
Des Moines	113	36
Harrisburg	113	36
New London - Norwich	113	36
Pine Bluff	113	36
Vineland - Millville - Bridgeton	113	36
Wilmington, Del	113	36
Marion	112	45
Monroe	112	45
Poughkeepsie	112	45
Springfield, Ill	112	45
Worcester - Fitchburg - Leominster	112	45
Paterson - Clifton - Passaic	111	50
Reading	111	50
Sioux City	111	50
Manitowoc - Two Rivers	110	53
Racine	110	53
Decatur	109	55
Kenosha	109	55
Lynchburg	109	55
York	109	55
Burlington, Vt	108	59
Charlotte - Gastonia	108	59
Danville, Ill	108	59
Kannapolis - Concord - Salisbury	108	59
Little Rock - North Little Rock	108	59
New Haven - West Haven - Waterbury - Meriden	108	59
Orlando	108	59
Rochester, N Y	108	59
Duluth - Superior	107	67
Miami	107	67
Altoona	106	69
Anderson, S C	106	69
Hagerstown	106	69
New Brunswick - Perth Amboy - Sayreville	106	69
New Orleans	106	69
Petersburg - Colonial Heights - Hopewell	106	69
Topeka	106	69
Tulsa	106	69
Birmingham	105	77
Boston - Lowell - Brockton - Lawrence - Haverhill	105	77
Bremerton	105	77
Jackson, Mich	105	77
Knoxville	105	77
Portland, Me	105	77
Washington	105	77
Allentown - Bethlehem - Easton	104	84
Asheville	104	84
Cleveland	104	84
Manchester - Nashua	104	84
Midland	104	84
Minneapolis - St Paul	104	84
Albany, Ga	103	90
Newark, Ohio	103	90
Newburgh - Middletown	103	90
Parkersburg - Marietta,	103	90
Pueblo	103	90
Spokane	103	90
Charleston, W Va	102	96
Colorado Springs	102	96
Jacksonville	102	96
Lawton	102	96
Mobile	102	96
Nassau - Suffolk	102	96
Syracuse	102	96

By ADI

ADI Name	RGI	Ranking
Las Vegas	447	1
Reno	288	2
Bluefield - Beckley - Oak Hill	145	3
Greenwood - Greenville	143	4
Monroe - El Dorado	141	5
Alexandria, La	138	6
Florence, S C	138	6
Selma, Alabama	135	8
Presque Isle	131	9
Wilkes-Barre - Scranton	131	9
Clarksburg - Weston	127	11
Ottumwa - Kirksville	127	11
Memphis	126	13
Minot - Bismarck - Dickinson	125	14
Burlington - Plattsburgh	124	15
Erie	124	15
Jonesboro	124	15
New York	124	15
Pittsburgh	124	15
Charleston - Huntington	123	20
Johnstown - Altoona	122	21
Philadelphia	122	21
Rochester - Mason City - Austin	122	21
Elmira	121	24
Salt Lake City	120	25
Albany, Ga	119	26
Quincy - Hannibal	119	26
Ardmore - Ada	118	28
Little Rock	117	29
Meridian	117	29
Watertown - Carthage	117	29
Zanesville	117	29
Roswell	116	33
Bangor	115	34
Binghamton	115	34
Harrisburg - York - Lancaster - Lebanon	115	34
Hartford - New Haven	115	34
Idaho Falls - Pocatello	115	34
Springfield, Mass	114	39
Bristol - Kingsport - Johnson City	113	40
Cheyenne	113	40
Columbus - Tupelo, Miss	113	40
Dothan	113	40
Wheeling - Steubenville	113	40
Baton Rouge	112	45
Des Moines	112	45
Chattanooga	111	47
Great Falls	111	47
Roanoke - Lynchburg	111	47
Sioux City	111	47
Birmingham	110	51
Wausau - Rhinelander	110	51
Evansville	109	53
Farmington	109	53
Duluth - Superior	108	55
Lincoln - Hastings - Kearney	108	55
Casper - Riverton	107	57
Jackson, Miss	107	57
Montgomery	107	57
Providence	107	57
Rochester, N Y	107	57
Lafayette, La	106	62
Omaha	106	62
Terre Haute	106	62
Wichita Falls - Lawton	106	62
Charlotte	105	66
Columbia, S C	105	66
Harrisonburg	105	66
Huntsville - Decatur - Florence	105	66
Savannah	105	66
Topeka	105	66
Tulsa	105	66
Albany - Schenectady - Troy	104	73
Augusta	104	73
Greenville - Spartanburg - Asheville	104	73
Knoxville	104	73
Nashville	104	73
Paducah - Cape Girardeau - Harrisburg	104	73
Syracuse	104	73
Washington, D C	104	73
Abilene - Sweetwater	103	81
Colorado Springs - Pueblo	103	81
Jacksonville	103	81
Macon	103	81
Minneapolis - St Paul	103	81
Parkersburg	103	81
Peoria	103	81
Raleigh - Durham	103	81
Shreveport - Texarkana	103	81
Sioux Falls - Mitchell	103	81
Youngstown	103	81
Alexandria, Minn	102	92
Boston	102	92
Lake Charles	102	92
Portland - Poland Spring	102	92
Richmond	102	92
St Joseph	102	92
Tyler	102	92
Milwaukee	101	99
Spokane	101	99